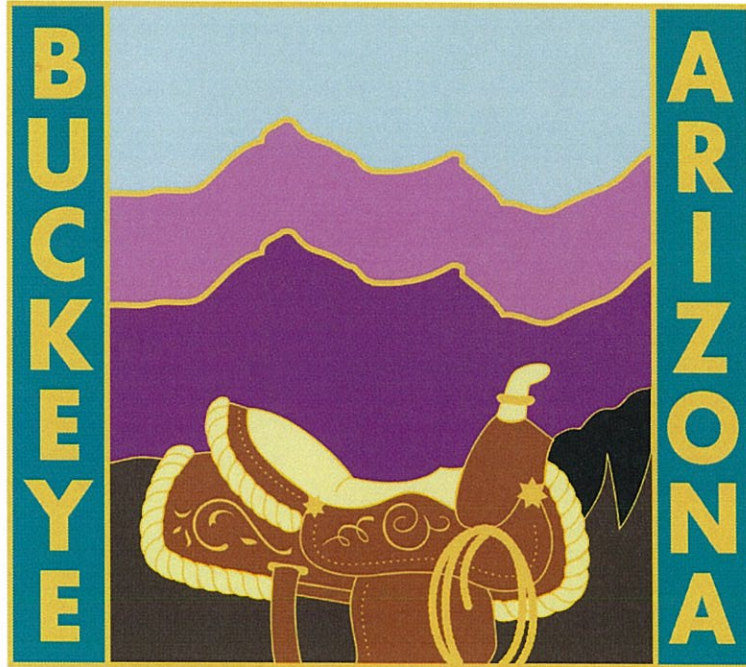


TOWN OF BUCKEYE, ARIZONA



Comprehensive Annual Financial Report

For The Fiscal Year Ended June 30, 2008

TOWN OF BUCKEYE, ARIZONA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE
FISCAL YEAR ENDED JUNE 30, 2008

Prepared by
Administrative Services Department

TOWN OF BUCKEYE, ARIZONA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2008

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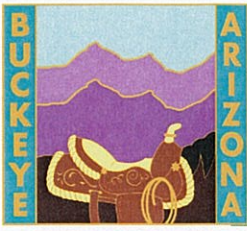
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INTRODUCTORY SECTION

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TOWN OF BUCKEYE

Finance Department

1101 E. Ash Avenue
Buckeye, Arizona 85326
Voice (623) 349-6000
FAX (623) 349-6121

November 14, 2008

Honorable Mayor and Town Council
Town of Buckeye, AZ

The Finance Department respectfully submits the Comprehensive Annual Financial Report (CAFR) of the Town of Buckeye, Arizona (Town) for the fiscal year ended June 30, 2008. The State of Arizona requires in ARS Section 9-481 that each incorporated town be audited at least once for every two fiscal years; the Town elects to be audited annually. The State of Arizona also requires additional supplemental information in the form of a report entitled "Expenditure Limitation Report" to be completed annually. This report is under separate cover. Federal law requires that a single audit be performed for federal grant funds in conformance with the provisions of the Single Audit Act of 1984 and OMB Circular A-133 "Audits of States, Local Governments, and Non-Profits Organizations". All information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the independent auditor's reports on the internal control structure and compliance with applicable laws and regulations are under separate cover.

This report was prepared by the Finance Department with the assistance of various other Town departments. Town management assumes full responsibility for the accuracy of the data presented and the completeness and fairness of presentation, including all disclosures, based on a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Cronstrom, Osuch & Company, P.C., a firm of licensed certified public accountants, have issued an unqualified opinion on the Town's CAFR for the year ended June 30, 2008. As indicated by the opinion of our independent auditors, the report fairly presents the financial position and the results of operations of the Town as measured by the financial activity of its various funds. The report has been set forth in a manner that will give the reader a broad understanding of the Town's financial affairs. It includes disclosures necessary for the reader to gain an understanding of the Town's financial activities. The independent auditors' report is located at the front of the financial statements in the Financial Section of the report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors report and provides a narrative introduction overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

A CAFR consists of three main sections: the Introductory section, the Financial section, and the Statistical section.

The **Introductory Section** includes this transmittal letter and an organization chart that lists the major divisions, components, and mechanisms of the Town. This section is intended to familiarize the reader with the Town of Buckeye's organizational structure, nature and scope of provided services, and specifics of its operating environment. The information in this section is intended to provide adequate background and sufficient context to assist the reader with the Financial Section of this CAFR.

The **Financial Section** contains all financial statements and supplemental information required to be disclosed by Generally Accepted Accounting Principles (GAAP) used in the United States and Arizona State Law, as well as information on all individual funds. Also in this section is other useful supplementary information that is not required by GAAP or Arizona State Law to represent a financial overview of the Town of Buckeye. This section includes six parts:

- (1) Independent Auditor's Report,
- (2) Management's Discussion and Analysis (MD&A),
- (3) Basic Financial Statements (BFS),
- (4) Notes to the Basic Financial Statements,
- (5) Required Supplementary Information, and
- (6) Combining, Individual Fund Financial Statements and Schedules.

The **Statistical Section** is unaudited. It includes various tables and charts that reflect financial, economic, social, and demographic information about the Town of Buckeye that are interesting and relevant to assessing the Town's financial condition. This section is intended to assist the reader in understanding the environment in which the Town operates.

PROFILE OF THE TOWN OF BUCKEYE

The Town of Buckeye was founded in 1888 and is the western-most incorporated town in the Valley of the Sun, which is the economic, political and population center in Arizona and includes the City of Phoenix and surrounding communities. What was once solely an agricultural community has grown from a population of 4,436 in 1990 to slightly over 40,000 in 2008. Robust population growth in the greater Phoenix area during the last twenty years has had the inevitable effect of focusing housing attention in the southwest valley in the last three or four years as other areas approach build-out. Not only has the population of Buckeye grown, today the Town encompasses more than 370 square miles within a municipal planning area of almost 600 square miles. Town planners project total build-out could take at least 30 years for the nearly 600-mile planning area that stretches from almost Wickenburg on the north to Gila Bend on the south, and from the Hassayampa River on the west to Perryville Road on the east.

With a short drive of about 35 miles or less, Buckeye residents can take advantage of the cultural, economic and entertainment venues found in major urban areas, yet they can return to the ease and ambience of an essentially rural community where neighbors know each other.

The Town operates under a council-manager form of government. The seven-member Town Council consists of six members elected by district to serve staggered four-year terms. The Mayor is elected at-large for a four-year term and serves as a voting member of the Council. All Town elections are non-partisan. The Town Council is responsible for passing ordinances, adopting the budget, appointing members of commissions and hiring the Town Manager. The Town Manager carries out the policies and ordinances of the Town Council, oversees the day-to-day operations of the Town and appoints the various department heads.

The Town provides traditional municipal services such as public safety (police, fire, and municipal court), street construction and maintenance, sanitation and residential refuse collection, parks, recreation and culture, planning and zoning, and general administrative and support services. Water and sewer utility services are provided to many of the residents through the Town's enterprise funds. The Town provides, or will provide, street lighting and maintenance for developing areas through legally formed street lighting and maintenance improvement districts. The Town provides and accounts for a legally separate volunteer firefighters' pension fund as mandated by Arizona Revised Statute, Title 9, as well as a number of community facilities districts and improvement districts designed to provide funding for the construction and acquisition of public infrastructure improvements; a discussion of these component units is available in the footnotes to the Financial Statements.

The CAFR of the Town includes all government activities, organizations and functions for which the Town is financially accountable. The criteria used to determine financial accountability are based on, and are consistent with, the pronouncements of the Governmental Accounting Standards Board which sets criteria for defining the financial reporting entity. The phrase "financially accountable" is defined to include, but is not limited to, selection of governing authority, designation of management, ability to significantly influence operations, financial interdependence, and accountability for fiscal matters.

Various school districts and certain special districts within the Town of Buckeye are governed independently. The financial statements of these districts are not included in this report except to reflect amounts held in an agency / trust capacity by the Town Treasurer.

FINANCIAL INFORMATION

It may perhaps be helpful if the reader of the financial statements has a slightly broader perspective of the environment within which the Town of Buckeye operates.

Local Economy The Town has an agricultural background and history, which it retains to this day. However, substantial efforts have been put into developing thoughtful and comprehensive master plans that include retail, commercial, entertainment, health care, education and employment centers. However, housing starts have been the primary source of the Town's revenues over the past several years. The slowdown in housing and the economy generally was not readily apparent during the fiscal year, although that trend is now more obvious. The challenge faced by Buckeye is that the retail and office development desired by residents, and which would provide the Town with a reliable, long-term source of revenue, was only beginning to emerge at the same time that the economy started its downward trends.

As of the end of the fiscal year, a total of 22 community master plans and 40 subdivisions with total dwelling units of 315,000 have been approved by the Town. At the same time, the monthly average number of single family building permits issued has dropped from a high of 379 during 2005, to 165 in the last quarter of this fiscal year. However, as a Town on the fringe of a well-developed metropolitan area, the Town has several features that we believe will continue to make Buckeye attractive as the economy stabilizes over the next year or two.

Buckeye is intersected by four major highways, including Interstate 10, a major east/ west trucking corridor. Buckeye also is home to a general aviation airport, and is served by the Union Pacific Railroad. Virtually every major mode of transportation makes Buckeye accessible from multiple points. In addition to this, the Town of Buckeye sits on the state's largest untapped groundwater aquifer, the Hassayampa River Basin, and the majestic view of the White Tank Mountains from every vantage point creates a unique and unparalleled landscape.

Long-Term Financial Planning Buckeye is excited to face the challenges of the coming years where we will be accommodating growth, while ensuring that the Town develops as a place where people can live, work and play. Increases in population, the tax base and development fees, as well as commercial and retail activity and the Town's economic development efforts are all expected to provide additional revenue to offset the costs related to both modest continuing growth, in addition to expanding services and facilities.

Because of the current economic uncertainty, the Town established a contingency reserve in the general fund budget for the fiscal year, and carried that policy forward into the budget for the following fiscal year. Various other funds also have budgeted contingency amounts not specifically designated or allocated for a specific activity or use that will provide some flexibility should the economic slowdown be deeper or longer than currently anticipated.

We anticipate that the slowdown in housing will provide the Town an opportunity to direct resources to the development of a formalized capital improvements program during FY2008/09 that will also serve us well when development resumes as the economy stabilizes.

Relevant Financial Policies The Town of Buckeye maintains accounts in accordance with the principles of fund accounting to ensure that limitations and restrictions on the Town's available resources are observed and adhered to. Fund accounting classifies resources into funds with respect to the intended activities or objectives specified by those resources for accounting controls and financial reporting purposes. Each fund is an independent fiscal and accounting entity, and its operations are accounted for in a separate set of self-balancing accounts that are comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses.

The Town incorporates performance expectations and initiatives into their annual budgeting process, which are intended to move the Town toward achieving its goals. Department directors are held responsible for the fiscal performance of their units as well as the programmatic performance of their units. The Town has adopted the practice of not "cleaning-up" program over-expenditures, but rather reporting them in the CAFR as budget overspent. This practice provides necessary information for future budget cycles and brings attention to the reasons for the budget overage. The Town does "clean-up" funds in the event they are overspent. In most cases, there is sufficient fund balance to take that action.

Town management monitors the Town's budget at the fund level for Special Revenue, Debt Service, and Internal Service Funds. The General Fund and Capital Project Funds are monitored at the department and project level respectively. The budget is modified throughout the year as certain additional resources become available or anticipated resources dissipate, if permitted under Arizona statutes. This practice ensures that all available resources are accounted for with appropriate budgetary controls, and only available resources are disbursed or encumbered.

Historically, the Town has been very conservative in its approach to financial matters, minimizing borrowing to control interest costs and controlling the use of both recurring and non-recurring operating revenues.

AWARDS and ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Buckeye for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2007.

This was the third consecutive year that the Town of Buckeye received this award. In order to be awarded a Certificate of Achievement, the Town of Buckeye published an easily readable and efficiently organized Comprehensive Annual Financial Report. The report also had to satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the criteria of the Certificate of Achievement Program, although we have chosen not to submit this CAFR or participate in this program for this fiscal year.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We wish to express our sincere appreciation to all members of every Town Department who contributed to its preparation and recognize the major effort of the Financial Services Division in administering the Town's accounting system and in preparing this report.

We also wish to thank each of you for your interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,

Gilberto Villegas, Deputy Director
Finance Department

TOWN OF BUCKEYE, ARIZONA
LIST OF PRINCIPAL OFFICIALS
FISCAL YEAR ENDED JUNE 30, 2008

Jackie Meck
Mayor

Elaine May
Vice Mayor

Dr. Bob Doster
Councilmember

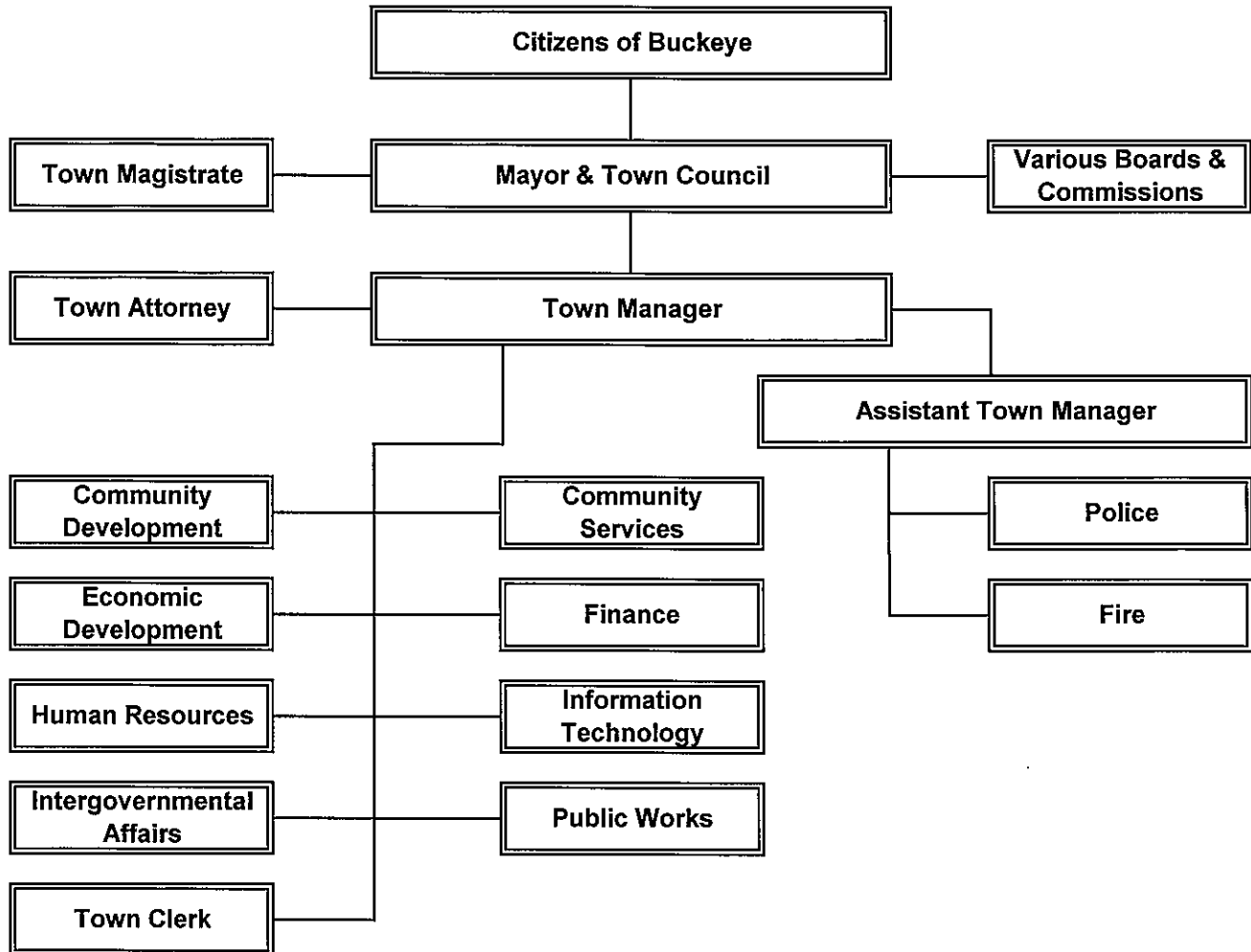
Robert Garza
Councilmember

David Hardesty
Councilmember

Brian McAchran
Councilmember

Dave Rioux
Councilmember

TOWN OF BUCKEYE, ARIZONA
ORGANIZATIONAL CHART
JUNE 30, 2008



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Buckeye
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and the Town Council of the
Town of Buckeye, Arizona

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Buckeye, Arizona (Town), as of and for the year ended June 30, 2008, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Buckeye, Arizona, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis on pages 13 - 24 and the Public Safety Personnel Retirement System Schedule of Funding Progress on page 72 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2008 on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Cronstrom, Osuch & Company, P.C.

Cronstrom, Osuch & Company, P.C.

November 14, 2008

Management's Discussion and Analysis

As management of the Town of Buckeye, Arizona, we are pleased to provide an overview of our financial activities for the fiscal year ended June 30, 2008. The intended purpose of Management's Discussion and Analysis (MD&A) is to provide an introduction to the basic financial statements and notes, that provides an objective and easy to read analysis of our financial activities based on currently known facts, decisions, and conditions, by providing an easily readable summary of operating results and reasons for changes, which will help to determine if our financial position improved or deteriorated over the past year. This report addresses current operational activities, the sources, uses, and changes in resources, adherence to budget, service levels, limitations, significant economic factors, and the status of infrastructure and its impacts on our debt and operation. When referring to prior year data in this analysis we will be drawing upon information from last years' audited financial reports.

Financial Highlights

- ◆ The assets of the Town of Buckeye, Arizona exceeded its liabilities at the close of the most recent fiscal year by \$581,596,184 (net assets). Of this amount \$119,332,958 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- ◆ As of the close of the current fiscal year, the Town of Buckeye, Arizona's governmental funds reported combined ending fund balances of \$105,021,253, a decrease of \$4,189,093 in comparison with the prior year. This decrease was mainly due to changes in the General Fund (\$6,120,885 decrease), CFD Debt Service Fund (\$1,011,428 increase), CFD Capital Projects Fund (\$9,634,587 decrease), Impact Fees (\$6,360,499 increase) and net changes in Nonmajor Governmental Funds (\$4,194,452 increase).
- ◆ At the end of the current fiscal year, unreserved fund balance for the General Fund was \$15,242,542 or 34 percent of total general fund expenditures.
- ◆ General Fund revenues (on a budgetary basis) were less than budgeted revenues by \$30,307,596 for the fiscal year ending June 30, 2008. Additionally, budgetary basis expenditures were only 73% (\$16,590,085 (27%) in savings) of the final budget in the General Fund.
- ◆ General Fund revenues exceeded expenditures by \$7,868,875; a negative variance of \$13,717,511 from the original budget.
- ◆ The Town includes one type of separate legal entity in its report - Community Facilities Districts. Although legally separate, these "component units" are important because the Town is financially accountable for them. A description of these component units is available in Note 1 on page 41. Separate financial statements are not available for these entities.

Overview of the Financial Statements

The financial section of the Comprehensive Annual Financial Report (CAFR) for the Town of Buckeye, Arizona consists of this discussion and analysis, the basic financial statements and the required supplementary schedules presented after the basic financial statements. The basic financial statements include the government-wide financial statements, fund financial statements, including the budgetary statements for the General Fund, and notes to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town of Buckeye, Arizona's finances, in a manner similar to private-sector business.

The statement of net assets presents information on all of the Town of Buckeye, Arizona's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as useful indicators of whether the financial position of the Town of Buckeye, Arizona is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town of Buckeye, Arizona that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town of Buckeye, Arizona include general government, public safety, highways and streets, culture and recreation, community development, economic development, and health and welfare. The business-type activities include the Town's water and sewer operations.

The government-wide financial statements can be found on pages 26 - 27 of this report.

Fund financial statements. Also presented are the traditional fund financial statements for governmental funds. The fund financial statements focus on major funds of the Town. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Buckeye, Arizona, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Buckeye, Arizona can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Since the governmental fund financial statements focus on near-term expendable resources, while the governmental activities on the government-wide financial statements have a longer term focus, a reconciliation of the differences between the two is provided with the fund financial statements.

The basic governmental fund financial statements can be found on pages 28 - 33 of this report.

Proprietary funds. The Town of Buckeye, Arizona maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town of Buckeye, Arizona uses enterprise funds to account for its water and sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Water and Sewer Funds of the Town of Buckeye, Arizona.

The basic proprietary fund financial statements can be found on pages 34 - 37 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town of Buckeye, Arizona's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 38 - 39 of this report.

Notes to the basic financial statements. The notes to the basic financial statements (pages 41 - 69) provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and should be read with the financial statements.

Required supplementary information other than MD&A. Governments have an option of including the budgetary comparison statements for the general fund and major special revenue funds as either part of the fund financial statements within the basic financial statements, or as required supplementary information after the footnotes. The Town has chosen to present these budgetary statements as part of the basic financial statements. Additionally, governments are required to disclose certain information about employee pension funds. The Town has disclosed this information in Note 4.E. to the basic financial statements and required supplementary information on page 72.

Government-wide Financial Analysis

Net assets may serve over time as a useful indicator of a government's financial position. The following table reflects the condensed Statement of Net Assets of the Town for June 30, 2008 showing that assets exceeded liabilities by \$581,596,184.

Town of Buckeye, Arizona
Condensed Statement of Net Assets
June 30, 2008 and 2007

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
ASSETS						
Current and other assets	\$ 198,489,516	\$ 199,738,909	\$ 33,339,924	\$ 27,008,567	\$ 231,829,440	\$ 226,747,476
Capital assets						
Non-depreciable	165,284,944	85,033,433	887,441	2,258,091	166,172,385	87,291,524
Depreciable (net)	<u>167,989,616</u>	<u>131,727,689</u>	<u>226,829,811</u>	<u>170,587,503</u>	<u>394,819,427</u>	<u>302,315,192</u>
Total assets	<u>531,764,076</u>	<u>416,500,031</u>	<u>261,057,176</u>	<u>199,854,161</u>	<u>792,821,252</u>	<u>616,354,192</u>
LIABILITIES						
Other liabilities	16,790,349	13,204,745	8,911,059	1,165,779	25,701,408	14,370,524
Non-current liabilities						
Due within one year	4,794,077	4,385,328	177,470	157,506	4,971,547	4,542,834
Due in more than one year	<u>178,517,747</u>	<u>169,128,359</u>	<u>2,034,366</u>	<u>2,181,403</u>	<u>180,552,113</u>	<u>171,309,762</u>
Total liabilities	<u>200,102,173</u>	<u>186,718,432</u>	<u>11,122,895</u>	<u>3,504,688</u>	<u>211,225,068</u>	<u>190,223,120</u>
NET ASSETS						
Invested in capital assets, net of related debt	180,433,293	82,151,023	225,559,690	170,570,832	405,992,983	252,721,855
Restricted	56,270,243	46,200,204	-	-	56,270,243	46,200,204
Unrestricted	<u>94,958,367</u>	<u>101,430,372</u>	<u>24,374,591</u>	<u>25,778,641</u>	<u>119,332,958</u>	<u>127,209,013</u>
Total net assets	<u>\$ 331,661,903</u>	<u>\$ 229,781,599</u>	<u>\$ 249,934,281</u>	<u>\$ 196,349,473</u>	<u>\$ 581,596,184</u>	<u>\$ 426,131,072</u>

The net assets of the Town are \$581,596,184 in fiscal year 2008 for both governmental and business-type activities.

Net assets consists of three components. One portion of the Town of Buckeye, Arizona's net assets (70%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The Town of Buckeye, Arizona uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Buckeye, Arizona's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

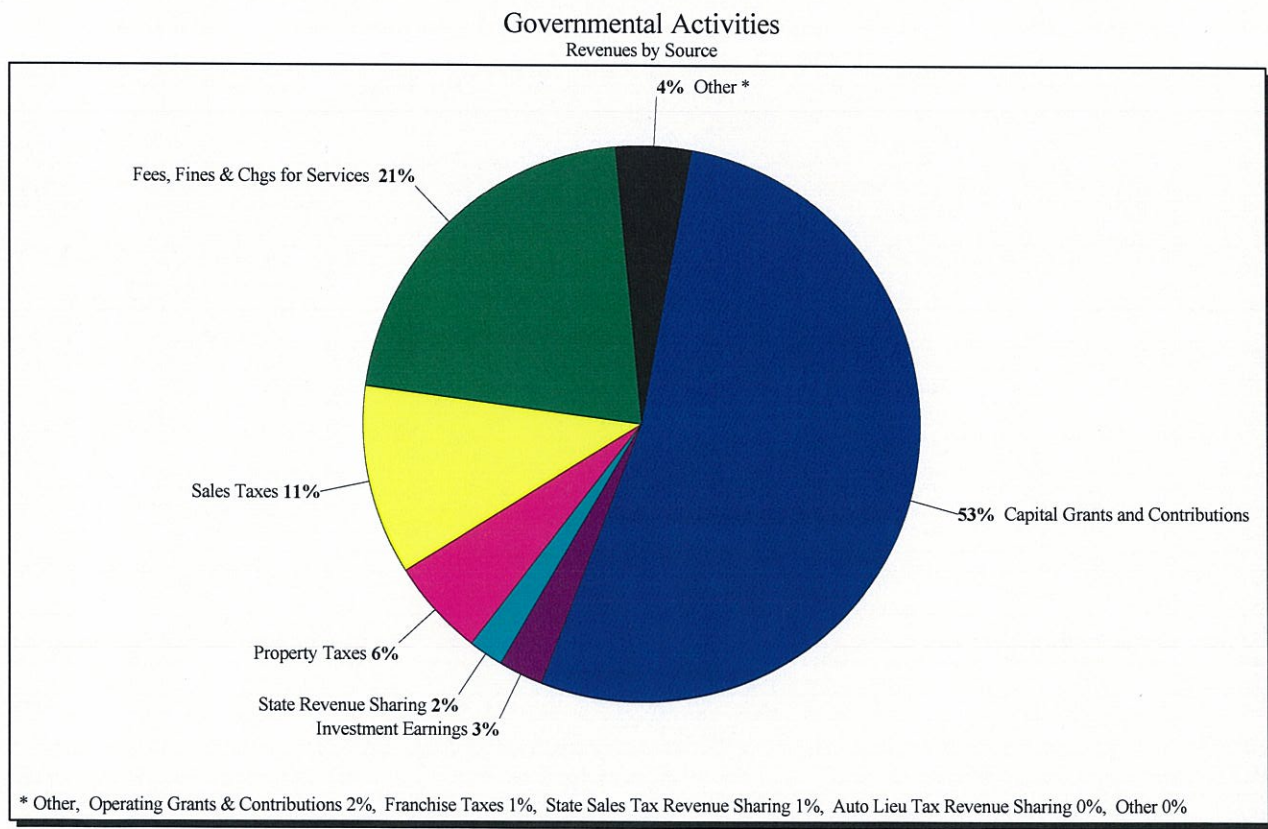
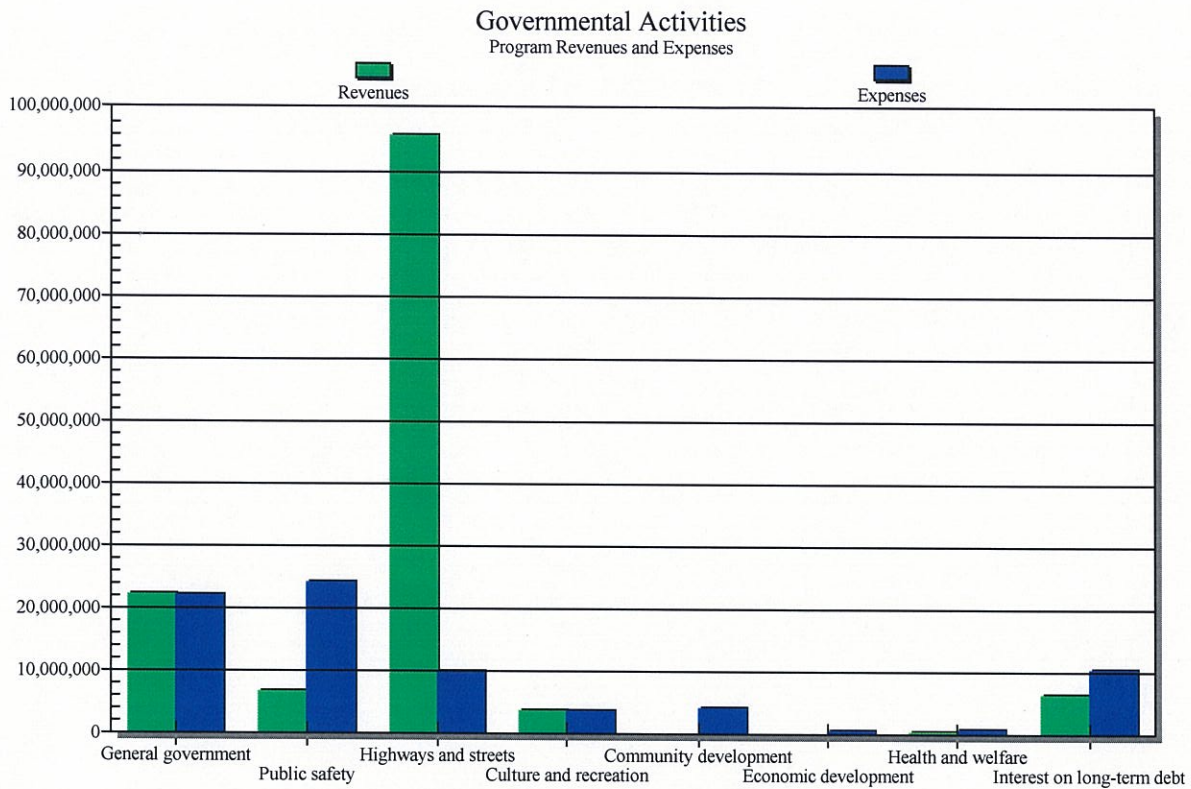
An additional portion of the Town of Buckeye, Arizona's net assets (10%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$119,332,958) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Buckeye, Arizona is able to report positive balances in all three categories of net assets for the government as a whole.

Town of Buckeye, Arizona
Changes in Net Assets
For the Fiscal Years Ended June 30, 2008 and 2007

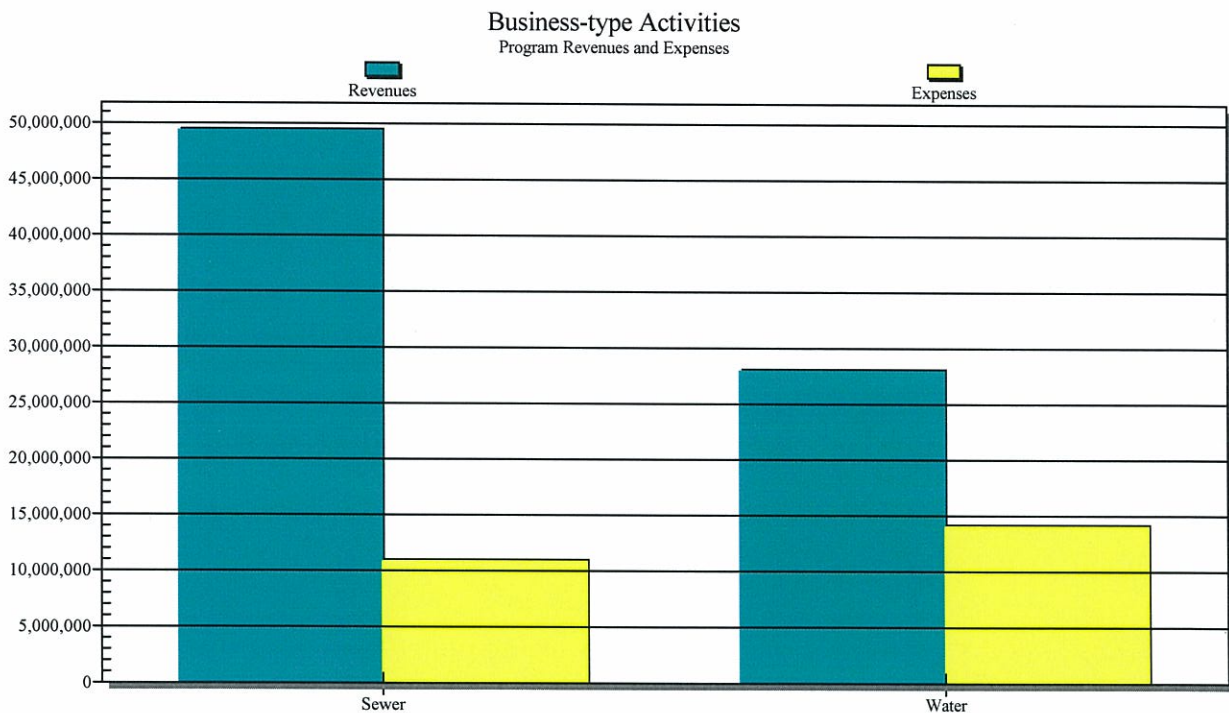
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues						
Program revenues						
Fees, fines and charges for services	\$ 38,253,469	\$ 37,933,354	\$ 15,542,969	\$ 19,860,632	\$ 53,796,438	\$ 57,793,986
Operating grants and contributions	2,669,677	2,607,554	-	-	2,669,677	2,607,554
Capital grants and contributions	93,914,439	403,403	61,802,434	-	155,716,873	403,403
General revenues						
Sales taxes	19,562,100	20,352,303	-	-	19,562,100	20,352,303
Property taxes	10,041,664	5,455,617	-	-	10,041,664	5,455,617
Franchise taxes	1,191,999	696,318	-	-	1,191,999	696,318
State shared revenues	6,929,463	6,351,420	-	-	6,929,463	6,351,420
Grants and contributions not restricted	54,008	54,008	-	-	54,008	54,008
Investment earnings	4,618,115	5,045,893	311,463	222,652	4,929,578	5,268,545
Other	564,859	610,067	-	-	564,859	610,067
Total revenues	<u>177,799,793</u>	<u>79,509,937</u>	<u>77,656,866</u>	<u>20,083,284</u>	<u>255,456,659</u>	<u>99,593,221</u>
Expenses						
General government	22,042,786	14,155,434	-	-	22,042,786	14,155,434
Public safety	24,159,379	14,996,196	-	-	24,159,379	14,996,196
Highways and streets	9,859,551	7,748,126	-	-	9,859,551	7,748,126
Culture and recreation	3,549,820	2,512,744	-	-	3,549,820	2,512,744
Community development	4,076,753	3,229,116	-	-	4,076,753	3,229,116
Economic development	449,205	232,539	-	-	449,205	232,539
Health and welfare	662,201	607,995	-	-	662,201	607,995
Interest on long-term debt	10,304,341	9,341,351	-	-	10,304,341	9,341,351
Sewer	-	-	10,851,201	7,537,024	10,851,201	7,537,024
Water	-	-	14,036,310	8,721,436	14,036,310	8,721,436
Total expenses	<u>75,104,036</u>	<u>52,823,501</u>	<u>24,887,511</u>	<u>16,258,460</u>	<u>99,991,547</u>	<u>69,081,961</u>
Change in net assets before transfers	102,695,757	26,686,436	52,769,355	3,824,824	155,465,112	30,511,260
Transfers	<u>(815,453)</u>	<u>(34,319,435)</u>	<u>815,453</u>	<u>34,319,435</u>	<u>-</u>	<u>-</u>
Change in net assets	101,880,304	(7,632,999)	53,584,808	38,144,259	155,465,112	30,511,260
Net assets at beginning of year	<u>229,781,599</u>	<u>237,414,598</u>	<u>196,349,473</u>	<u>158,205,214</u>	<u>426,131,072</u>	<u>395,619,812</u>
Total net assets	<u>\$ 331,661,903</u>	<u>\$ 229,781,599</u>	<u>\$ 249,934,281</u>	<u>\$ 196,349,473</u>	<u>\$ 581,596,184</u>	<u>\$ 426,131,072</u>

Governmental activities. Governmental activities increased the Town's net assets by \$101,880,304 from the prior fiscal year. The majority of this increase is attributable to an increase in capital assets, net of related debt recorded as an asset and as a capital contribution. During the year, land increased by \$79,722,554 and infrastructure increased by \$39,164,958 principally as the result of conveyances pursuant to various developer agreements.

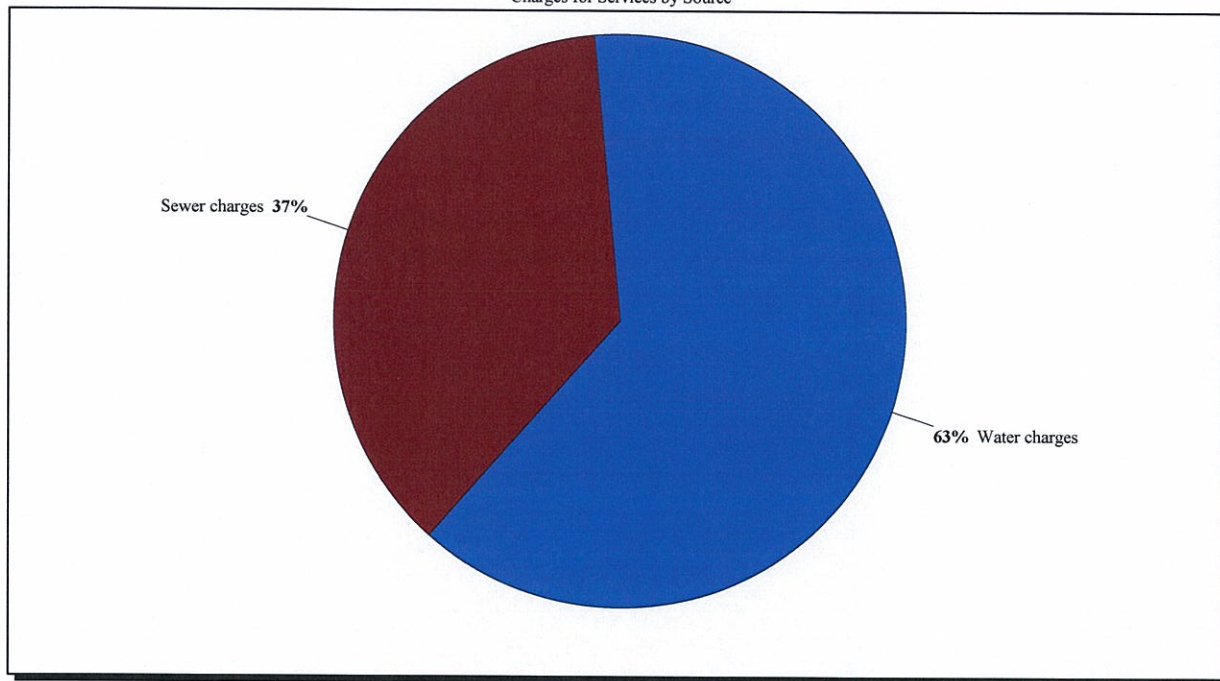


The charts on the previous page illustrate the Town's program revenues and expenses. As shown, public safety (police, fire, and emergency medical services) is the largest function in expenses, followed by general government, interest on long-term debt, highways and streets, community development, culture and recreation, health and welfare, and economic development. General revenues such as sales taxes are not shown by program but are effectively used to support program activities. Property taxes are primarily used for general operations and for the repayment of long-term debt. For governmental activities as a whole, capital grants and contributions are by far the largest source of funds (53%) followed by fees, fines and charges for services (21%).

Business-type activities. Business-type activities increased the Town's net assets by \$53,584,808. The primary reason for the increase was revenue received from impact fees, developer agreements, and capital contributions due to growth.



Business-type Activities
Charges for Services by Source



As shown by the charts above, the largest of the Town's business-type activities is its water operations. Water Fund operating expenses were just over \$7.3 million with charges for services of approximately \$7.0 million during the fiscal year. The Sewer Fund operating expenses were approximately \$7.3 million with charges for services of approximately \$3.8 million during the fiscal year.

Financial Analysis of the Town's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal compliance. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of Governmental funds reported by the Town include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

As of the end of the current fiscal year the Town's governmental funds reported combined ending fund balances of \$105,021,253, a decrease of \$4,189,093 in comparison with the prior year. Approximately 15% of this total amount (\$15,242,542) constitutes General Fund balance, which is available for contribution to the designated, undesignated and reserved fund balances. At fiscal year ended June 30, 2008 fund balances were as follows:

<u>Fund</u>	<u>Balance</u>	<u>Increase (Decrease) From 2006-07</u>
General Fund	\$ 15,242,542	\$ (6,120,885)
CFD Debt Service Fund	11,614,538	1,011,428
CFD Capital Projects Fund	12,937,499	(9,634,587)
Impact Fees Fund	23,556,776	6,360,499
Nonmajor Governmental Funds	41,669,898	4,194,452

The General Fund is the chief operating fund of the Town of Buckeye, Arizona. At the end of the current fiscal year, the fund balance of the General Fund was \$15,242,542, while total fund balance for the Town reached \$105,021,253. As a measure of the General Fund's liquidity, it may be useful to compare both General Fund balance and total fund balance to total fund expenditures. General Fund balance represents 34 percent of total General Fund expenditures, while total fund balance represents 235 percent of that same amount.

The fund balance of the Town of Buckeye, Arizona's General Fund decreased by \$6,120,885 during the current fiscal year. Key factors in this change are as follows:

- ◆ Total General Fund revenues collected increased over the prior year by \$3,842,370, even though charges for services decreased by \$2,385,436 and sales taxes by \$852,349. These decreases were offset by increases in property tax collections of \$965,256, intergovernmental revenues of \$1,499,621, and revenues from licenses and permits of \$2,588,850.
- ◆ Expenditures increased by \$10,810,595 from the prior year. The largest increases were in general government (\$7,134,113) and public safety (\$1,692,629).

The CFD Debt Service Fund's fund balance increased by \$1,011,428 during the fiscal year. The change was due mainly to an increase in property tax revenues to cover principal and interest payments.

The CFD Capital Projects Fund fund balance decreased by \$9,634,587 during the fiscal year. The change was due mainly to the use of bond proceeds issued in the current and prior year for the completion of development. As development is completed, bond proceeds are depleted.

The Impact Fees Fund fund balance increased by \$6,360,499. The change was mainly due to the fact that even though actual impact fee revenues and investment earnings of \$7,866,083 were less than budgeted by \$2,003,425, actual expenditures from the fund were only \$1,505,584. This is a reflection of delays in infrastructure construction.

The Nonmajor Governmental Funds fund balance increased by \$4,194,452 during the fiscal year. The change was due mainly to an increase in charges for services of \$3,248,927 for fire services in Festival Ranch and Tartesso and a corresponding increase in public safety expenditures of \$6,526,650. Total transfers in and out from the general fund and other funds decreased by \$4,010,078, while issuance of debt decreased by \$2,200,000. All nonmajor governmental funds of the Town are combined into one column on the governmental fund financial statements.

Proprietary Funds. The Town of Buckeye, Arizona's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets at the end of the year amounted to \$15,487,717 in the Sewer Fund and \$8,886,874 in the Water Fund.

Budgetary Highlights

The Town's annual budget is the legally adopted expenditure control document of the Town. Budgetary comparison statements are required for the General Fund and all major special revenue funds and may be found on pages 32 - 33. These statements compare the original adopted budget, the budget if amended throughout the fiscal year, and the actual expenditures prepared on a budgetary basis.

General Fund revenues of \$52,550,507, on a budgetary basis, were less than budgeted revenues of \$82,858,103 by \$30,307,596 mainly due to the housing construction slowdown. In addition, budgetary basis expenditures of \$44,681,632 were less than budgeted expenditures by \$16,590,085 as Town management exercised caution on budgeted expenditures and took preventive measures to not overspend Town resources resulting in expenditure savings.

The Town decreased the General Fund budget by \$202,053 during the fiscal year. This reduction was not significant.

Capital Asset and Debt Administration

The Town's capital assets for its governmental and business-type activities as of June 30, 2008 amount to \$560,991,812 (net of accumulated depreciation). For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Fund financial statements record capital asset purchases as expenditures. See Note 3.A.4. for further information regarding capital assets.

Capital assets include land and improvements, buildings and improvements, infrastructure, furniture, machinery and equipment, wastewater system and water system.

The major capital asset events during the current fiscal year were the addition of infrastructure assets and construction of community facilities district assets using bond proceeds. The Town also acquired a number of furniture, machinery and equipment items during the fiscal year.

The following table provides a breakdown of the capital assets of the Town at June 30, 2008 and 2007.

Town of Buckeye, Arizona
Capital Assets at June 30, 2008 and 2007
(Net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 160,334,045	\$ 80,611,491	\$ 631,468	\$ 631,468	\$ 160,965,513	\$ 81,242,959
Construction in progress	4,950,899	4,421,942	255,973	1,626,623	5,206,872	6,048,565
Land improvements	6,710,201	3,730,002	-	-	6,710,201	3,730,002
Buildings and improvements	10,897,575	11,125,052	80,607,506	37,547,162	91,505,081	48,672,214
Infrastructure	142,209,412	110,187,318	-	-	142,209,412	110,187,318
Furniture, machinery and equipment	8,172,428	6,685,317	-	-	8,172,428	6,685,317
Wastewater system	-	-	83,969,865	76,599,606	83,969,865	76,599,606
Water system	-	-	61,475,331	55,692,104	61,475,331	55,692,104
Machinery, equipment and vehicles	-	-	777,109	748,631	777,109	748,631
	<u>\$ 333,274,560</u>	<u>\$ 216,761,122</u>	<u>\$ 227,717,252</u>	<u>\$ 172,845,594</u>	<u>\$ 560,991,812</u>	<u>\$ 389,606,716</u>

Long-term Debt

At the end of the current fiscal year, the Town of Buckeye, Arizona had total long-term obligations outstanding of \$185,523,660. Of the outstanding debt, \$3,065,000 are improvement bonds that are backed by the property owners within the District. An additional \$150,259,000 are community facilities district bonds backed by property owners within the District areas. An additional \$26,330,000 and \$2,150,000 of outstanding debt is secured by pledges of specific revenue sources of the Town. The remaining \$3,719,660 is in its majority for other liabilities; capital leases, deferred amounts on issuance, and compensated absences.

The following schedule shows the outstanding debt of the Town (both current and long-term) as of June 30, 2008 and 2007. Further detail on the Town's outstanding debt may be found in Note 3.D. on pages 56 - 63.

Town of Buckeye, Arizona
Long-term Obligations at June 30, 2008 and 2007

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
General obligation bonds	\$ -	\$ 310,000	\$ -	\$ -	\$ -	\$ 310,000
Improvement bonds	3,065,000	3,325,000	-	-	3,065,000	3,325,000
Revenue bonds	26,330,000	26,330,000	2,150,000	2,260,000	28,480,000	28,590,000
Community facilities district bonds	150,259,000	140,365,000	-	-	150,259,000	140,365,000
Deferred amount on premium	1,078,021	1,131,926	-	-	1,078,021	1,131,926
Deferred amount on discount	(840,443)	(889,175)	-	-	(840,443)	(889,175)
Capital leases	2,171,157	1,985,004	7,562	14,762	2,178,719	1,999,766
Compensated absences	1,249,089	955,932	54,274	64,147	1,303,363	1,020,079
	<u>\$ 183,311,824</u>	<u>\$ 173,513,687</u>	<u>\$ 2,211,836</u>	<u>\$ 2,338,909</u>	<u>\$ 185,523,660</u>	<u>\$ 175,852,596</u>

Economic Factors and Next Year's Budgets and Rates

The Town's management and elected officials considered a variety of factors when setting the operating budgets for FY 2008-09. The construction transaction privilege tax and construction permits and fees, particularly, are a major component of Town general fund operating revenues and are highly sensitive to economic conditions. Because it was becoming evident toward the end of FY 2007-08 that housing construction activity was slowing down relative to prior years, revenue growth was projected at a much lower level in these categories. Charges for solid waste services were increased to reflect an anticipated rate increase in December, 2008, but the majority of Town fees and charges for services were unchanged from the prior year budget. Property tax revenues were projected to increase as the value of construction in prior periods was added to the property tax rolls, allowing the Town to effect a modest reduction in the primary property tax rate. In addition, the Town completed paying all outstanding general obligation debt in FY 2007-08, so the secondary property tax rate was eliminated. For FY 2008-09, the Town's combined primary and secondary direct property tax rate was decreased from 1.1421 per \$100 of assessed value to .8984 per \$100 of assessed value.

Financial contact

This financial report is designed to provide a general overview of the Town's finances for all of those with an interest and to demonstrate accountability for the use of public funds. Questions about any of the information provided in this report, or requests for additional financial information should be addressed to:

Town of Buckeye
Administrative Services Department
1101 East Ash Avenue
Buckeye, AZ 85326
623-349-6000

Or visit our website at:

www.buckeyeaz.gov

Basic Financial Statements

TOWN OF BUCKEYE, ARIZONA
STATEMENT OF NET ASSETS
JUNE 30, 2008

	Governmental Activities	Business-type Activities	Totals
Assets			
Cash and cash equivalents	\$ 69,202,655	\$ 30,763,018	\$ 99,965,673
Cash with paying agent	402,511	-	402,511
Receivables, net			
Accounts receivable	1,643,064	2,003,802	3,646,866
Taxes receivable	244,968	-	244,968
Intergovernmental receivable	2,277,173	-	2,277,173
Special assessments receivable	70,287,000	-	70,287,000
Inventories	-	14,159	14,159
Deferred charges	6,390,914	104,171	6,495,085
Restricted assets	48,041,231	454,774	48,496,005
Capital assets			
Non-depreciable	165,284,944	887,441	166,172,385
Depreciable (net)	<u>167,989,616</u>	<u>226,829,811</u>	<u>394,819,427</u>
Total assets	<u>531,764,076</u>	<u>261,057,176</u>	<u>792,821,252</u>
Liabilities			
Accounts payable	3,582,342	585,483	4,167,825
Accrued wages and benefits	2,323,549	7,224	2,330,773
Interest payable	4,825,208	-	4,825,208
Developer agreements payable	-	7,656,508	7,656,508
Intergovernmental payable	4,842	207,070	211,912
Customer deposits payable	88,510	454,774	543,284
Unearned revenue	1,416,218	-	1,416,218
Performance bonds payable	262,680	-	262,680
Matured debt principal payable	4,287,000	-	4,287,000
Noncurrent liabilities			
Due within one year	4,794,077	177,470	4,971,547
Due in more than one year	<u>178,517,747</u>	<u>2,034,366</u>	<u>180,552,113</u>
Total liabilities	<u>200,102,173</u>	<u>11,122,895</u>	<u>211,225,068</u>
Net assets			
Invested in capital assets, net of related debt	180,433,293	225,559,690	405,992,983
Restricted for			
Highways and streets	1,491,082	-	1,491,082
Debt service	12,975,822	-	12,975,822
Capital outlay	40,473,295	-	40,473,295
Other	1,330,044	-	1,330,044
Unrestricted	<u>94,958,367</u>	<u>24,374,591</u>	<u>119,332,958</u>
Total net assets	<u>\$ 331,661,903</u>	<u>\$ 249,934,281</u>	<u>\$ 581,596,184</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Program Revenues				Net (Expenses) Revenue and Changes in Net Assets	
	Expenses	Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
Functions/Programs						
Governmental activities						
General government	\$ 22,042,786	\$ 21,104,003	\$ 169,820	\$ 940,889	\$ 171,926	\$ -
Public safety	24,159,379	6,344,387	291,861	-	(17,523,131)	-
Highways and streets	9,859,551	964,046	1,940,037	92,945,471	85,990,003	-
Culture and recreation	3,549,820	3,560,898	25,937	5,000	42,015	-
Community development	4,076,753	-	-	-	(4,076,753)	-
Economic development	449,205	-	-	-	(449,205)	-
Health and welfare	662,201	-	242,022	23,079	(397,100)	-
Interest on long-term debt	10,304,341	6,280,135	-	-	(4,024,206)	-
Total governmental activities	<u>75,104,036</u>	<u>38,253,469</u>	<u>2,669,677</u>	<u>93,914,439</u>	<u>59,733,549</u>	<u>-</u>
	\$	\$	\$	\$	\$	\$
	22,042,786	21,104,003	169,820	940,889	171,926	-
	24,159,379	6,344,387	291,861	-	(17,523,131)	-
	9,859,551	964,046	1,940,037	92,945,471	85,990,003	-
	3,549,820	3,560,898	25,937	5,000	42,015	-
	4,076,753	-	-	-	(4,076,753)	-
	449,205	-	-	-	(449,205)	-
	662,201	-	242,022	23,079	(397,100)	-
	10,304,341	6,280,135	-	-	(4,024,206)	-
	<u>75,104,036</u>	<u>38,253,469</u>	<u>2,669,677</u>	<u>93,914,439</u>	<u>59,733,549</u>	<u>-</u>
Business-type activities						
Sewer	10,851,201	5,763,938	-	43,607,380	-	38,520,117
Water	14,036,310	9,779,031	-	18,195,054	-	13,937,775
Total business-type activities	<u>24,887,511</u>	<u>15,542,969</u>	<u>-</u>	<u>61,802,434</u>	<u>-</u>	<u>52,457,892</u>
	\$	\$	\$	\$	\$	\$
	10,851,201	5,763,938	-	43,607,380	-	38,520,117
	14,036,310	9,779,031	-	18,195,054	-	13,937,775
	<u>24,887,511</u>	<u>15,542,969</u>	<u>-</u>	<u>61,802,434</u>	<u>-</u>	<u>52,457,892</u>
Totals	<u>99,991,547</u>	<u>53,796,438</u>	<u>2,669,677</u>	<u>155,716,873</u>	<u>59,733,549</u>	<u>112,191,441</u>
General revenues						
Taxes						
Sales taxes					19,562,100	-
Property taxes					10,041,664	-
Franchise taxes					1,191,999	-
Unrestricted State revenue sharing					3,575,387	-
Unrestricted State sales tax revenue sharing					2,334,912	-
Unrestricted auto lieu tax revenue sharing					1,019,164	-
Grants and contributions not restricted					54,008	-
Investment earnings					4,618,115	311,463
Other					564,859	-
Transfers					(815,453)	815,453
Total general revenues and transfers					<u>42,146,755</u>	<u>1,126,916</u>
Change in net assets					101,880,304	53,584,808
Net assets, beginning of year					<u>229,781,599</u>	<u>196,349,473</u>
Net assets, end of year					<u>\$ 331,661,903</u>	<u>\$ 249,934,281</u>
						\$ 581,596,184

The notes to the basic financial statements are an integral part of this statement.

**TOWN OF BUCKEYE, ARIZONA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008**

	General	CFD Debt Service	CFD Capital Projects	Impact Fees	Nonmajor Governmental Funds	Totals
Assets						
Cash and cash equivalents	\$ 17,936,736	\$ 5,009,371	\$ 72,944	\$ 23,734,333	\$ 22,449,271	\$ 69,202,655
Cash with paying agent	-	-	-	-	402,511	402,511
Receivables, net						
Accounts receivable	1,542,921	-	95,846	-	4,297	1,643,064
Taxes receivable	63,011	157,719	-	-	24,238	244,968
Intergovernmental receivable	1,810,225	-	-	-	466,948	2,277,173
Special assessments receivable	-	67,222,000	-	-	3,065,000	70,287,000
Restricted assets	-	<u>14,532,763</u>	<u>12,793,878</u>	-	<u>20,714,590</u>	<u>48,041,231</u>
Total assets	<u>\$ 21,352,893</u>	<u>\$ 86,921,853</u>	<u>\$ 12,962,668</u>	<u>\$ 23,734,333</u>	<u>\$ 47,126,855</u>	<u>\$192,098,602</u>
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 2,014,552	\$ -	\$ 25,169	\$ 177,557	\$ 1,365,064	\$ 3,582,342
Accrued wages and benefits	2,323,549	-	-	-	-	2,323,549
Interest payable	-	4,108,315	-	-	716,893	4,825,208
Intergovernmental payable	4,842	-	-	-	-	4,842
Deferred revenue	-	67,222,000	-	-	3,065,000	70,287,000
Unearned revenue	1,416,218	-	-	-	-	1,416,218
Customer deposits payable	88,510	-	-	-	-	88,510
Performance bonds payable	262,680	-	-	-	-	262,680
Matured debt principal payable	-	<u>3,977,000</u>	-	-	<u>310,000</u>	<u>4,287,000</u>
Total liabilities	<u>6,110,351</u>	<u>75,307,315</u>	<u>25,169</u>	<u>177,557</u>	<u>5,456,957</u>	<u>87,077,349</u>
Fund balances						
Unreserved	15,242,542	11,614,538	12,937,499	23,556,776	-	63,351,355
Unreserved, reported in nonmajor:						
Special revenue funds	-	-	-	-	2,821,126	2,821,126
Debt service funds	-	-	-	-	1,361,284	1,361,284
Capital projects funds	-	-	-	-	<u>37,487,488</u>	<u>37,487,488</u>
Total fund balances	<u>15,242,542</u>	<u>11,614,538</u>	<u>12,937,499</u>	<u>23,556,776</u>	<u>41,669,898</u>	<u>105,021,253</u>
Total liabilities and fund balances	<u>\$ 21,352,893</u>	<u>\$ 86,921,853</u>	<u>\$ 12,962,668</u>	<u>\$ 23,734,333</u>	<u>\$ 47,126,855</u>	<u>\$192,098,602</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS
JUNE 30, 2008

Fund balances - total governmental funds \$ 105,021,253

Amounts reported for governmental activities in the statement of net assets are different because:

Special assessment revenue not available for current financial resources 70,287,000

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	392,654,342
Less accumulated depreciation	<u>(59,379,782)</u>
Capital assets used in governmental activities	<u>333,274,560</u>

Other long-term assets are not available to pay for current-period expenditures:

Deferred charges 6,390,914

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Improvement bonds	(3,065,000)
Revenue bonds	(26,330,000)
Community facilities district bonds	(150,259,000)
Deferred amount on premium	(1,078,021)
Deferred amount on discount	840,443
Capital leases	(2,171,157)
Compensated absences	<u>(1,249,089)</u>

Net assets of governmental activities \$ 331,661,903

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	General	CFD Debt Service	CFD Capital Projects	Impact Fees	Nonmajor Governmental Funds	Totals
Revenues						
Taxes						
Sales taxes	\$ 19,499,954	\$ 62,146	\$ -	\$ -	\$ -	\$ 19,562,100
Property taxes	2,781,273	6,268,907	-	-	991,484	10,041,664
Franchise taxes	1,191,999	-	-	-	-	1,191,999
Intergovernmental	7,957,540	-	-	-	3,035,206	10,992,746
Fines and forfeitures	462,404	-	-	-	-	462,404
Licenses and permits	9,434,421	-	-	-	-	9,434,421
Charges for services	7,958,210	-	-	-	3,248,927	11,207,137
Developer agreements	-	-	405,438	-	1,886,378	2,291,816
Contributions and donations	29,712	-	-	-	5,000	34,712
Impact fees	-	-	-	7,336,733	-	7,336,733
Special assessments	-	6,896,036	-	-	648,099	7,544,135
Investment earnings	1,630,464	467,672	745,508	529,350	1,245,121	4,618,115
Other	1,604,530	-	-	-	201,152	1,805,682
Total Revenues	<u>52,550,507</u>	<u>13,694,761</u>	<u>1,150,946</u>	<u>7,866,083</u>	<u>11,261,367</u>	<u>86,523,664</u>
Expenditures						
Current						
General government	19,868,872	-	390,593	-	968,463	21,227,928
Public safety	15,595,103	-	-	1,600,701	6,847,251	24,043,055
Highways and streets	-	-	-	-	2,685,256	2,685,256
Culture and recreation	3,311,942	-	-	565,369	5,711	3,883,022
Community development	3,962,814	-	-	-	-	3,962,814
Economic development	449,205	-	-	-	-	449,205
Health and welfare	152,381	-	-	-	509,820	662,201
Debt Service						
Principal retirement	-	4,655,000	-	-	570,000	5,225,000
Interest on long-term debt	-	8,580,492	-	-	1,463,838	10,044,330
Issuance costs	-	-	883,280	-	-	883,280
Capital outlay	1,341,315	-	22,829,629	-	8,407,598	32,578,542
Total Expenditures	<u>44,681,632</u>	<u>13,235,492</u>	<u>24,103,502</u>	<u>2,166,070</u>	<u>21,457,937</u>	<u>105,644,633</u>
Excess (deficiency) of revenues over expenditures	<u>7,868,875</u>	<u>459,269</u>	<u>(22,952,556)</u>	<u>5,700,013</u>	<u>(10,196,570)</u>	<u>(19,120,969)</u>
Other financing sources (uses)						
Transfers in	1,441,740	414,977	-	-	17,646,968	19,503,685
Transfers out	(15,431,500)	-	(1,093,849)	-	(3,255,946)	(19,781,295)
Issuance of debt	-	137,182	14,411,818	-	-	14,549,000
Proceeds from capital leases	-	-	-	660,486	-	660,486
Total other financing sources (uses)	<u>(13,989,760)</u>	<u>552,159</u>	<u>13,317,969</u>	<u>660,486</u>	<u>14,391,022</u>	<u>14,931,876</u>
Net change in fund balances	(6,120,885)	1,011,428	(9,634,587)	6,360,499	4,194,452	(4,189,093)
Fund balances, beginning of year	<u>21,363,427</u>	<u>10,603,110</u>	<u>22,572,086</u>	<u>17,196,277</u>	<u>37,475,446</u>	<u>109,210,346</u>
Fund balances, end of year	<u>\$ 15,242,542</u>	<u>\$ 11,614,538</u>	<u>\$ 12,937,499</u>	<u>\$ 23,556,776</u>	<u>\$ 41,669,898</u>	<u>\$ 105,021,253</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Net change in fund balances - total governmental funds \$ (4,189,093)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital assets	33,230,881
Capital contributions	92,540,129
Less current year depreciation	<u>(9,237,364)</u>
Excess capital expenditures over depreciation	<u>116,533,646</u>

The statement of activities reports losses arising from the disposal of existing capital assets. Conversely, governmental funds do not report any gain or loss on disposals of capital assets. (20,208)

Some revenues reported in the governmental funds that did not provide current financial resources in prior years have been recognized previously in the statement of activities and therefore are not reported as revenues in the statement of activities.

Special assessments (1,264,000)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. The issuance of long-term debt increases long-term liabilities on the statement of net assets and the repayment of principal on long-term debt reduces long-term debt on the statement of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when the debt is first issued, whereas these items are deferred and amortized over the term of the long-term debt in the statement of activities.

Principal payments on long-term debt	5,225,000
Principal payments on capital leases	474,333
Proceeds of capital leases	(660,486)
Proceeds of long-term debt	(14,549,000)
Issuance costs	883,280
Amortization of discount	(48,732)
Amortization of issuance costs	(265,184)
Amortization of premium	53,905

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Net increase in compensated absences (293,157)

Change in net assets of governmental activities \$ 101,880,304

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Sales taxes	\$ 34,563,399	\$ 35,027,504	\$ 19,499,954	\$ (15,527,550)
Property taxes	2,838,830	2,719,725	2,781,273	61,548
Franchise taxes	911,000	911,000	1,191,999	280,999
Intergovernmental	18,040,542	17,768,542	7,957,540	(9,811,002)
Fines and forfeitures	362,200	362,200	462,404	100,204
Licenses and permits	13,905,514	13,905,514	9,434,421	(4,471,093)
Charges for services	10,532,740	10,075,183	7,958,210	(2,116,973)
Contributions and donations	71,500	71,500	29,712	(41,788)
Investment earnings	1,065,000	1,065,000	1,630,464	565,464
Other	839,377	951,935	1,604,530	652,595
Total Revenues	<u>83,130,102</u>	<u>82,858,103</u>	<u>52,550,507</u>	<u>(30,307,596)</u>
Expenditures				
Current				
General government				
Mayor and council	360,888	371,188	345,445	25,743
Town Clerk	578,164	579,514	509,946	69,568
Town Manager	1,018,893	1,025,443	945,778	79,665
Human Resources	799,349	719,697	689,554	30,143
Finance department	2,495,936	2,581,833	1,850,978	730,855
Magistrate	514,908	515,588	434,482	81,106
Vehicle maintenance	873,738	1,013,900	937,864	76,036
Irrigation	267,671	269,071	324,328	(55,257)
Cemetery	287,259	354,579	266,868	87,711
Non-departmental	10,597,933	10,153,922	8,241,554	1,912,368
Airport	547,998	549,698	533,891	15,807
Public works - administration	2,852,458	2,862,711	2,843,497	19,214
Legislative Affairs	237,243	278,743	285,178	(6,435)
Information technology	1,380,159	1,380,159	1,215,066	165,093
Contingencies	1,650,000	1,612,766	-	1,612,766
Other	208,024	208,024	444,443	(236,419)
Total general government	<u>24,670,621</u>	<u>24,476,836</u>	<u>19,868,872</u>	<u>4,607,964</u>
Public safety				
Police	9,249,013	9,320,813	9,937,972	(617,159)
Fire	6,440,869	6,190,869	5,601,873	588,996
Cost of adjudications	300,000	300,000	55,258	244,742
Total public safety	<u>15,989,882</u>	<u>15,811,682</u>	<u>15,595,103</u>	<u>216,579</u>
Culture and recreation				
Community Services	3,478,957	3,514,958	2,898,126	616,832
Parks and recreation before and after school	487,565	487,565	310,975	176,590
Parks and recreation youth programs	82,570	82,570	102,841	(20,271)
Total culture and recreation	<u>4,049,092</u>	<u>4,085,093</u>	<u>3,311,942</u>	<u>773,151</u>
Community development				
Community development	3,969,587	4,101,418	3,962,814	138,604
Total community development	<u>3,969,587</u>	<u>4,101,418</u>	<u>3,962,814</u>	<u>138,604</u>
Economic development				
Economic development	837,569	839,069	449,205	389,864
Total economic development	<u>837,569</u>	<u>839,069</u>	<u>449,205</u>	<u>389,864</u>
Health and welfare				
Social services	316,418	317,018	152,381	164,637
Total health and welfare	<u>316,418</u>	<u>317,018</u>	<u>152,381</u>	<u>164,637</u>
				(Continued)

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

(Concluded)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Capital outlay	\$ <u>11,640,601</u>	\$ <u>11,640,601</u>	\$ <u>1,341,315</u>	\$ <u>10,299,286</u>
Total Expenditures	<u>61,473,770</u>	<u>61,271,717</u>	<u>44,681,632</u>	<u>16,590,085</u>
Excess (deficiency) of revenues over expenditures	<u>21,656,332</u>	<u>21,586,386</u>	<u>7,868,875</u>	<u>(13,717,511)</u>
Other financing sources (uses)				
Transfers in	1,443,405	1,443,405	1,441,740	(1,665)
Transfers out	<u>(25,416,498)</u>	<u>(25,346,552)</u>	<u>(15,431,500)</u>	<u>9,915,052</u>
Total other financing sources (uses)	<u>(23,973,093)</u>	<u>(23,903,147)</u>	<u>(13,989,760)</u>	<u>9,913,387</u>
Net change in fund balances	(2,316,761)	(2,316,761)	(6,120,885)	(3,804,124)
Fund balances, beginning of year	<u>19,052,880</u>	<u>19,052,880</u>	<u>21,363,427</u>	<u>2,310,547</u>
Fund balances, end of year	\$ <u>16,736,119</u>	\$ <u>16,736,119</u>	\$ <u>15,242,542</u>	\$ <u>(1,493,577)</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2008

	Business-type Activities - Enterprise Funds		
	Sewer	Water	Totals
Assets			
Current assets			
Cash and cash equivalents	\$ 18,214,756	\$ 12,548,262	\$ 30,763,018
Receivables, net			
Accounts receivable	626,026	1,377,776	2,003,802
Inventories	-	14,159	14,159
Deferred charges	-	104,171	104,171
Restricted assets	-	454,774	454,774
Total current assets	<u>18,840,782</u>	<u>14,499,142</u>	<u>33,339,924</u>
Noncurrent assets			
Capital assets			
Non-depreciable	619,649	267,792	887,441
Depreciable (net)	<u>151,022,141</u>	<u>75,807,670</u>	<u>226,829,811</u>
Total noncurrent assets	<u>151,641,790</u>	<u>76,075,462</u>	<u>227,717,252</u>
Total assets	<u>170,482,572</u>	<u>90,574,604</u>	<u>261,057,176</u>
Liabilities			
Current liabilities			
Accounts payable	318,945	266,538	585,483
Accrued wages and benefits	1,156	6,068	7,224
Intergovernmental payable	-	207,070	207,070
Developer agreements payable	3,005,970	4,650,538	7,656,508
Customer deposits payable	-	454,774	454,774
Compensated absences	17,628	27,280	44,908
Capital leases payable	3,781	3,781	7,562
Bonds, notes and loans payable	-	125,000	125,000
Total current liabilities	<u>3,347,480</u>	<u>5,741,049</u>	<u>9,088,529</u>
Noncurrent liabilities			
Compensated absences	9,366	-	9,366
Bonds, notes and loans payable	-	<u>2,025,000</u>	<u>2,025,000</u>
Total noncurrent liabilities	<u>9,366</u>	<u>2,025,000</u>	<u>2,034,366</u>
Total liabilities	<u>3,356,846</u>	<u>7,766,049</u>	<u>11,122,895</u>
Net assets			
Invested in capital assets, net of related debt	151,638,009	73,921,681	225,559,690
Unrestricted	<u>15,487,717</u>	<u>8,886,874</u>	<u>24,374,591</u>
Total net assets	<u>\$ 167,125,726</u>	<u>\$ 82,808,555</u>	<u>\$ 249,934,281</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Business-type Activities - Enterprise Funds		
	Sewer	Water	Totals
Operating revenues			
Charges for services	\$ 3,837,984	\$ 7,052,252	\$ 10,890,236
Total operating revenues	<u>3,837,984</u>	<u>7,052,252</u>	<u>10,890,236</u>
Operating expenses			
Costs of sales and services	3,520,113	3,470,364	6,990,477
Depreciation	<u>3,821,258</u>	<u>3,836,054</u>	<u>7,657,312</u>
Total operating expenses	<u>7,341,371</u>	<u>7,306,418</u>	<u>14,647,789</u>
Operating loss	<u>(3,503,387)</u>	<u>(254,166)</u>	<u>(3,757,553)</u>
Nonoperating revenues (expenses)			
Impact fees	1,925,954	2,726,779	4,652,733
Investment earnings	144,900	166,563	311,463
Interest expense	-	(123,975)	(123,975)
Issuance costs	-	(8,013)	(8,013)
Developer reimbursements	<u>(3,509,830)</u>	<u>(6,597,904)</u>	<u>(10,107,734)</u>
Total nonoperating revenues (expenses)	<u>(1,438,976)</u>	<u>(3,836,550)</u>	<u>(5,275,526)</u>
Income (loss) before contributions and transfers	(4,942,363)	(4,090,716)	(9,033,079)
Capital contributions	43,607,380	18,732,897	62,340,277
Transfers in	1,337,296	-	1,337,296
Transfers out	<u>(71,614)</u>	<u>(988,072)</u>	<u>(1,059,686)</u>
Change in net assets	39,930,699	13,654,109	53,584,808
Total net assets, beginning of year	<u>127,195,027</u>	<u>69,154,446</u>	<u>196,349,473</u>
Total net assets, end of year	<u>\$ 167,125,726</u>	<u>\$ 82,808,555</u>	<u>\$ 249,934,281</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
Cash flows from operating activities			
Receipts from customers	\$ 4,137,008	\$ 6,606,163	\$ 10,743,171
Payments to employees	(658,863)	(804,009)	(1,462,872)
Payments to suppliers	(2,804,367)	(2,681,473)	(5,485,840)
Customer deposits received	-	77,279	77,279
Net cash flows from operating activities	<u>673.778</u>	<u>3,197,960</u>	<u>3,871,738</u>
Cash flows from noncapital financing activities			
Transfers in	1,337,296	-	1,337,296
Transfers out	(71,614)	(988,072)	(1,059,686)
Net cash flows from noncapital financing activities	<u>1,265,682</u>	<u>(988,072)</u>	<u>277,610</u>
Cash flows from capital and financing activities			
Impact fees	1,925,954	2,726,779	4,652,733
Developer reimbursements	(594,247)	(1,947,366)	(2,541,613)
Purchases of capital assets	-	(189,426)	(189,426)
Principal paid on capital debt	(3,600)	(113,600)	(117,200)
Interest paid on capital debt	-	(123,975)	(123,975)
Net cash flows from capital and financing activities	<u>1,328,107</u>	<u>352,412</u>	<u>1,680,519</u>
Cash flows from investing activities			
Investment earnings	<u>144,900</u>	<u>166,563</u>	<u>311,463</u>
Net cash flows from investing activities	<u>144,900</u>	<u>166,563</u>	<u>311,463</u>
Net change in cash and cash equivalents	3,412,467	2,728,863	6,141,330
Cash and cash equivalents, beginning of year	<u>14,802,289</u>	<u>10,274,173</u>	<u>25,076,462</u>
Cash and cash equivalents, end of year	<u>\$ 18,214,756</u>	<u>\$ 13,003,036</u>	<u>\$ 31,217,792</u>
Reconciliation of cash and cash equivalents to the statement of net assets			
Cash and investments	\$ 18,214,756	\$ 12,548,262	\$ 30,763,018
Restricted assets	-	454,774	454,774
Total cash and cash equivalents	<u>\$ 18,214,756</u>	<u>\$ 13,003,036</u>	<u>\$ 31,217,792</u>

(Continued)

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
(Concluded)			
Reconciliation of operating income to net cash provided by operating activities			
Operating loss	\$ (3,503,387)	\$ (254,166)	\$ (3,757,553)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	3,821,258	3,836,054	7,657,312
Change in assets/liabilities:			
Receivables, net	299,024	(497,064)	(198,040)
Accounts payable	51,896	(258)	51,638
Intergovernmental payable	-	50,975	50,975
Compensated absences	4,987	(14,860)	(9,873)
Customer deposits payable	-	77,279	77,279
Net cash provided by operating activities	\$ <u>673,778</u>	\$ <u>3,197,960</u>	\$ <u>3,871,738</u>

Noncash Investing, Capital and Financing Activities:

Sewer Fund:

Capital assets of \$18,732,897 were received from developers during the year.

Water Fund:

Capital assets of \$537,843 were transferred from the governmental activities to the Water Fund and capital assets of \$18,195,054 were received from developers during the year. In addition, bond issuance costs of \$8,013 were amortized during the year.

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2008

	<u>Pension Trust</u>
Assets	
Cash and cash equivalents	\$ <u>260.289</u>
Total assets	<u>260.289</u>
Net Assets	
Held in trust for pension benefits	\$ <u>260.289</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF BUCKEYE, ARIZONA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Pension Trust</u>
Additions	
Investment earnings	
Net decrease in fair value of investments	\$ <u>(17,964)</u>
Total additions	<u>(17,964)</u>
Deductions	
Benefits	1,000
Administration	<u>4,433</u>
Total deductions	<u>5,433</u>
Change in net assets	(23,397)
Net assets, beginning of year	<u>283,686</u>
Net assets, end of year	\$ <u>260,289</u>

The notes to the basic financial statements are an integral part of this statement.

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TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Town of Buckeye, Arizona (Town) have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB). A summary of the Town's more significant accounting policies follows.

A. Reporting Entity

The Town is a municipal government that is governed by a separately elected governing body. It is legally separate from and fiscally independent of other state and local governments. The accompanying financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Town's operations.

Included within the reporting entity:

The Verrado Community Facilities District No. 1 (formerly Whitestone District No. 1), Sundance Community Facilities District No. 1, Sundance Community Facilities District No. 2, Sundance Community Facilities District No. 3, Verrado Western Overlay Community Facilities District, West Park Community Facilities District, Elianto Community Facilities District, Trillium West Community Facilities District, Festival Ranch Community Facilities District, Tartesso West Community Facilities District and Watson Road Community Facilities District were formed for the purpose of acquiring and improving public infrastructure in specified land areas. As special purpose districts and separate political subdivisions under the Arizona Constitution, the Districts can levy taxes and issue bonds independently of the Town. Property owners in the designated areas are assessed for District taxes and thus for the costs of operating the Districts. The Town Council serves as the Board of Directors; however, the Town has no liability for the Districts' debt. For financial reporting purposes, transactions of the Districts are combined together and included as if they were part of the Town's operations.

Separate financial statements of the Districts are not prepared.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due. However, since debt service resources are provided during the current year for payment of long-term principal and interest due early in the following year, the expenditures and related liabilities have been recognized in the Debt Service Fund.

Property taxes, intergovernmental grants and aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.

The *CFD Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term debt of community facilities districts.

The *CFD Capital Projects Fund* accounts for the resources to be used for the acquisition or construction of major capital facilities of the community facilities districts.

The *Impact Fees Fund* accounts for impact fees for fire, police, parks and recreation, library, general government and streets.

The Town reports the following major proprietary funds:

The *Sewer Fund* accounts for the activities of the Town's sewer operations.

The *Water Fund* accounts for the activities of the Town's water operations.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

Additionally, the government reports the following fund types:

The *Pension Trust Fund* accounts for the activities of the Volunteer Firefighters' Relief and Pension Fund, which accumulates resources for pension benefit payments to qualified firemen.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for the business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. However, charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

Amounts reported as program revenues include 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the sewer and water funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, for governmental activities it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. For business-type activities, the use of restricted resources is governed by the applicable bond covenants.

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, cash and investments held by the State Treasurer, and highly liquid investments with maturities of three months or less from the date of acquisition.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

Cash and investments are pooled except for funds required to be held by fiscal agents or restricted under provisions of bond indentures. Interest earned from investments purchased with such pooled monies is allocated to each of the funds based on the average daily cash balances. State statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, certificates of deposit in eligible depositories, repurchase agreements, obligations of the State of Arizona or any of its counties or incorporated cities, towns or duly organized school districts, improvement districts in this state and the State Treasurer's Local Government Investment Pool. Investments are stated at fair value.

2. Receivables

All trade receivables are shown net of an allowance for uncollectibles.

Maricopa County levies real property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May. However, a lien against real and personal property assessed attaches on the first day of January preceding assessment and levy thereof.

3. Short-term Interfund Receivables/Payables

During the course of operations, individual funds within the Town's pooled cash accounts may borrow money from the other funds within the pool on a short-term basis. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet of the fund financial statements and are eliminated in the preparation of the government-wide financial statements. The Town did not have any interfund receivable/payables at year-end.

4. Inventories

Inventories consist of expendable supplies held for consumption. Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

5. Restricted Assets

Certain proceeds of the Town's bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets because their use is limited by applicable bond covenants.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

Customer deposits are also classified as restricted assets because their use is limited.

6. Capital Assets

Capital assets, which include property, plant, infrastructure, furniture, equipment and vehicles are reported in the governmental and business-type activities column in the government-wide financial statements as applicable and in the proprietary fund statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Property, plant, furniture, equipment and vehicles purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

Land improvements	10-20 years
Buildings and improvements	50 years
Wastewater system	50 years
Water system	50 years
Improvements other than buildings	40 years
Infrastructure	20-50 years
Furniture, machinery and equipment	3-10 years
Vehicles	5-10 years

7. Compensated Absences

The liability for compensated absences reported in the fund financial statements and the government-wide statements consists of unpaid, accumulated leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

8. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Net Assets

In the government-wide financial statements, net assets are reported in three categories: net assets invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Net assets invested in capital assets, net of related debt is separately reported because capital assets make up a significant portion of total net assets. Restricted net assets account for the portion of net assets restricted by parties outside the Town. Unrestricted net assets are the remaining net assets not included in the previous two categories.

10. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Town Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Arizona Revised Statutes, the Town Manager submits a proposed budget for the fiscal year commencing the following July 1 to the Town Council. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. Public hearings are conducted to obtain taxpayer comment.
3. Prior to the third Monday in August, the expenditure limitation for the Town is legally enacted through passage of an ordinance. To ensure compliance with the expenditure limitation, a uniform expenditure report must be filed with the State each year. This report, issued under a separate cover, reconciles total Town expenditures from the audited financial statements to total expenditures for reporting in accordance with the State's uniform expenditure reporting system (A.R.S. §41-1279.07).
4. By Arizona Constitution, expenditures may not legally exceed the expenditure limitation described below of all fund types as a whole. For management purposes, the Town adopts a budget by department for the General Fund and in total by fund for other funds. The Town Manager, subject to Town Council approval, may at any time transfer any unencumbered appropriation balance or portion thereof between a department or activity. The adopted budget cannot be amended in any way without Town Council approval.
5. Formal budgetary integration is employed as a management control device during the year for the General, Impact Fees, HURF, Grant Programs, Cemetery Improvement, Sun City Festival Fire, Tartesso Fire, Debt Service, Street Improvement, Downtown Revitalization, GADA 2006A Infrastructure and Buckeye Capital Projects Funds on essentially the same modified accrual basis of accounting used to record actual revenues and expenditures.

The Town is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the Town to spend more than budgeted revenues plus the carryover unrestricted cash balance from the prior fiscal year. The limitation is applied to the total of the combined funds. The Town complied with this law during the year.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

No supplementary budgetary appropriations were necessary during the year.

B. Excess of Expenditures Over Appropriations

Expenditures exceeded appropriations in the following funds:

	<u>Amount of Overexpenditure</u>
General Fund:	
Irrigation	\$ 55,257
Legislative Affairs	6,435
Other	236,419
Police	617,159
Parks and recreation youth programs	20,271
Cemetery Improvement Fund	70,571
Sun City Festival Fire Fund	1,687,311
Tartesso Fire Fund	1,953,309
Debt Service Fund	65,614
Street Improvement Fund	250,158

Cash was available to meet all of the overexpenditures above.

The majority of these exceeded appropriations were caused by unusual and unplanned events. The most significant of them relate to public safety. Fire stations at Tartesso and Festival Ranch were opened and staffed based on a contractual agreement that certain operating costs would be reimbursed by the developers in those communities. Those reimbursements were not received during the fiscal year. Growth in the Town puts increasing demands on the Police Department which often must incur overtime costs to meet those demands. The Town continues to evaluate areas of overexpenditure when developing the budget, and to make changes in operations when feasible to mitigate similar occurrences.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

NOTE 3 - DETAILED NOTES ON ALL FUNDS

A. Assets

1. Deposits and Investments

Deposits and investments at June 30, 2008 consist of the following:

Deposits	
Cash on hand	\$ 1,730
Cash in bank	9,292,634
Cash on deposit with paying agent	402,511
Investments	
Cash on deposit with trustee	30,864,508
Pension Trust Mutual Funds	260,814
State Treasurer's Investment Pool	<u>108,302,281</u>
Total deposits and investments	149,124,478
Restricted assets	(48,496,005)
Cash on deposit with paying agent	(402,511)
Fiduciary Funds	<u>(260,289)</u>
Total cash and cash equivalents	\$ <u>99,965,673</u>

Deposits - The Town's deposits at June 30, 2008, were entirely covered by federal depository insurance or by collateral held by the Town's custodial bank in the Town's name.

Investments - The State Board of Deposit provides oversight for the State Treasurer's pools, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant's position in the pool approximates the value of that participant's pool shares. The shares are not identified with specific investments and are not subject to custodial credit risk. In addition, the pension trust mutual fund is not subject to custodial credit risk. Cash on deposit with trustee is held in trust for the Town under a Trust Agreement with Wells Fargo Bank. The funds held in trust are invested in money market funds, are valued at cost, and are invested in cash and cash equivalents and U.S. Treasury Bills. The funds are not subject to credit risk or interest rate risk. The Town's investment in the State Treasurer's investment pool did not receive a credit quality rating from a national agency.

Interest rate risk. In accordance with its investment policy, the Town manages its exposure to declines in fair value by limiting the average maturity of investments to less than one year.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
 FISCAL YEAR ENDED JUNE 30, 2008

Custodial credit risk. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a formal investment policy in regards to custodial credit risk. However, the Town's investments are not subject to custodial credit risk.

2. Restricted Assets

Restricted assets at June 30, 2008 consisted of the following:

	Governmental Activities	Business-type Activities	Total
Current debt service	\$ 8,085,315	\$ -	\$ 8,085,315
Future debt service	6,447,448	-	6,447,448
Construction	33,508,468	-	33,508,468
Customer deposits	-	454,774	454,774
	<u>\$ 48,041,231</u>	<u>\$ 454,774</u>	<u>\$ 48,496,005</u>

3. Receivables

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Special assessments not yet due (CFD Debt Service Fund)	\$ 67,222,000	\$ -
Special assessments not yet due (Nonmajor Governmental Funds)	3,065,000	-
Prepaid building permits General Fund	-	1,416,218
Total deferred revenue	<u>\$ 70,287,000</u>	<u>\$ 1,416,218</u>

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

4. Capital Assets

Capital asset activity for the year ended June 30, 2008 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 80,611,491	\$ 79,722,554	\$ -	\$160,334,045
Construction in progress	<u>4,421,942</u>	<u>4,199,922</u>	<u>(3,670,965)</u>	<u>4,950,899</u>
Total capital assets, not being depreciated	<u>85,033,433</u>	<u>83,922,476</u>	<u>(3,670,965)</u>	<u>165,284,944</u>
Capital assets being depreciated:				
Land improvements	11,327,455	3,292,922	-	14,620,377
Buildings and improvements	13,869,763	207,990	-	14,077,753
Infrastructure	146,055,361	39,164,958	-	185,220,319
Furniture, machinery and equipment	<u>10,704,914</u>	<u>2,853,629</u>	<u>(107,594)</u>	<u>13,450,949</u>
Total capital assets being depreciated	<u>181,957,493</u>	<u>45,519,499</u>	<u>(107,594)</u>	<u>227,369,398</u>
Less accumulated depreciation for:				
Land improvements	(7,597,453)	(312,723)	-	(7,910,176)
Buildings and improvements	(2,744,711)	(435,467)	-	(3,180,178)
Infrastructure	(35,868,043)	(7,142,864)	-	(43,010,907)
Furniture, machinery and equipment	<u>(4,019,597)</u>	<u>(1,346,310)</u>	<u>87,386</u>	<u>(5,278,521)</u>
Total accumulated depreciation	<u>(50,229,804)</u>	<u>(9,237,364)</u>	<u>87,386</u>	<u>(59,379,782)</u>
Total capital assets, being depreciated, net	<u>131,727,689</u>	<u>36,282,135</u>	<u>(20,208)</u>	<u>167,989,616</u>
Governmental activities capital assets, net	<u>\$ 216,761,122</u>	<u>\$ 120,204,611</u>	<u>\$ (3,691,173)</u>	<u>\$ 333,274,560</u>

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-type Activities:				
Capital assets not being depreciated:				
Land	\$ 631,468	\$ -	\$ -	\$ 631,468
Construction in progress	<u>1,626,623</u>	<u>239,190</u>	<u>(1,609,840)</u>	<u>255,973</u>
Total capital assets, not being depreciated	<u>2,258,091</u>	<u>239,190</u>	<u>(1,609,840)</u>	<u>887,441</u>
Capital assets being depreciated:				
Wastewater system	86,357,280	9,607,380	-	95,964,660
Water system	71,991,700	8,910,022	-	80,901,722
Buildings and improvements	39,065,318	45,242,340	-	84,307,658
Machinery, equipment and vehicles	<u>1,047,895</u>	<u>156,535</u>	<u>(66,846)</u>	<u>1,137,584</u>
Total capital assets being depreciated	<u>198,462,193</u>	<u>63,916,277</u>	<u>(66,846)</u>	<u>262,311,624</u>
Less accumulated depreciation for:				
Wastewater system	(9,757,674)	(2,237,121)	-	(11,994,795)
Water system	(16,299,596)	(3,126,795)	-	(19,426,391)
Buildings and improvements	(1,518,156)	(2,181,996)	-	(3,700,152)
Machinery, equipment and vehicles	<u>(299,264)</u>	<u>(111,400)</u>	<u>50,189</u>	<u>(360,475)</u>
Total accumulated depreciation	<u>(27,874,690)</u>	<u>(7,657,312)</u>	<u>50,189</u>	<u>(35,481,813)</u>
Total capital assets, being depreciated, net	<u>170,587,503</u>	<u>56,258,965</u>	<u>(16,657)</u>	<u>226,829,811</u>
Business-type activities capital assets, net	<u>\$ 172,845,594</u>	<u>\$ 56,498,155</u>	<u>\$ (1,626,497)</u>	<u>\$ 227,717,252</u>

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 669,853
Public safety	723,793
Highways and streets	7,401,042
Culture and recreation	297,404
Community development	<u>145,272</u>
Total depreciation expense-governmental activities	\$ <u>9,237,364</u>
Business-type activities:	
Sewer	\$ 3,821,258
Water	<u>3,836,054</u>
Total depreciation expense-business-type activities	\$ <u>7,657,312</u>

5. Construction Commitments

The Town has various active construction projects at June 30, 2008. At fiscal year end the Town's commitments with contractors were as follows:

Governmental Activities		
Project	Spent-to-date	Remaining Commitment
Town Hall Master Plan	\$ 128,418	\$ 277,189
Town Lake Park	19,529	763,971
Miller Road Improvements	690,045	1,602,735
A-Wing Project	328,552	111,500
Town Infrastructure	213,745	3,890,090
Town Hall Downtown	792,894	10,026,251
Earl Edgar Renovation	89,531	2,577,469
Downtown Storm Drain	109,119	682,186
Fire Station	25,183	1,032,917
Other projects	<u>2,553,883</u>	<u>747,484</u>
	\$ <u>4,950,899</u>	\$ <u>21,711,792</u>

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

<u>Business-type Activities</u>		
<u>Project</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Water Utility Offices	\$ 65,600	\$ 190,374
South Monroe Waterlines	<u>190,373</u>	<u>227,158</u>
	<u>\$ 255,973</u>	<u>\$ 417,532</u>

B. Transfers

Interfund transfers for the year ended June 30, 2008 consisted of the following:

<u>Transfers To</u>	<u>Transfers From</u>					<u>Total</u>
	<u>General Fund</u>	<u>CFD Capital Projects Fund</u>	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Nonmajor Governmental Fund</u>	
General Fund	\$ -	\$ -	\$ -	\$ -	\$ 1,441,740	\$ 1,441,740
CFD Debt Service Fund	-	414,977	-	-	-	414,977
Sewer Fund	-	678,872	-	658,424	-	1,337,296
Nonmajor Governmental Funds	<u>15,431,500</u>	<u>-</u>	<u>71,614</u>	<u>329,648</u>	<u>1,814,206</u>	<u>17,646,968</u>
Totals	<u>\$ 15,431,500</u>	<u>\$ 1,093,849</u>	<u>\$ 71,614</u>	<u>\$ 988,072</u>	<u>\$ 3,255,946</u>	<u>\$ 20,840,981</u>

Transfers were made for operations in the applicable fund. In addition to the transfers above, \$537,843 of capital assets were transferred from governmental activities to business-type activities.

C. Obligations Under Leases

Capital Leases

The Town has entered into lease agreements as a lessee for financing the acquisition of various furniture, machinery and equipment items for its governmental activities. The Town has also entered into lease agreements as a lessee for financing the acquisition of trucks and a sewer rotator jet for its business-type activities. These lease agreements qualify as capital leases for accounting purposes and; therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

The assets acquired through capital leases are as follows:

	Governmental Activities	Business-type Activities
Asset:		
Furniture, equipment and vehicles	\$ 3,889,531	\$ 29,561
Less: accumulated depreciation	<u>(1,504,598)</u>	<u>(17,777)</u>
Total	<u>\$ 2,384,933</u>	<u>\$ 11,784</u>

Amortization expense has been included in depreciation expense.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2008, were as follows:

Year Ending June 30,	Governmental Activities	Business-type Activities
2009	\$ 515,605	\$ 7,940
2010	413,855	-
2011	413,855	-
2012	401,772	-
2013	215,109	-
2014-2018	<u>670,016</u>	<u>-</u>
Total minimum lease payments	2,630,212	7,940
Less: amount representing interest	<u>(459,055)</u>	<u>(378)</u>
Present value of minimum lease payments	<u>\$ 2,171,157</u>	<u>\$ 7,562</u>

D. Long-term Obligations

The Town has long-term bonds issued to provide funds for the acquisition and construction of major capital facilities. The Town has also issued debt to refund earlier obligations with higher interest rates. The debt is being repaid by various debt service funds. Compensated absences are paid by the applicable fund where each employee is regularly paid, primarily the General Fund.

Special Assessment districts are created only by petition of the Town Council by property owners within the district areas. The Miller Road Improvement District was created so the Town could fund improvements. Each of the 24 property owners within the District has been assessed taxes by the Town for repayment of the improvement bond. In case of default, the Town has the responsibility to cover delinquencies of special assessment bonds with other sources until foreclosure proceeds are received.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

Community facilities districts (CFDs) are created only by petition to the Town Council by property owners within the District areas. As the board of directors for the District, the Town Council has adopted a formal policy that CFD debt will be permitted only when the ratio of full cash value of the District property (prior to improvements being installed), when compared to proposed District debt, is a minimum of 3 to 1 prior to issuance of debt and 5 to 1 or higher after construction of improvements. These ratios are verified by an appraisal paid for by the District and administered by the Town. In addition, cumulative debt of all CFDs cannot exceed 5 percent of the Town's net secondary assessed valuation.

Improvement Bonds

The Town has pledged revenue derived from an annual assessment on the real property of the Miller Road Improvement District to repay \$4,435,000 in improvement bonds issued August, 2001. Special assessment districts are created only by petition of the Town Council by property owners within the District area. Proceeds from these bonds were used to install and construct water and sewer lines within the District. The bonds are payable solely from assessments on the property owners and are payable through 2017. The total principal and interest remaining to be paid on the bonds is \$3,873,916. Principal and interest paid for the current year was \$434,128 and total assessments billed were \$393,061.

Revenue Bonds

The Town has pledged future excise tax revenues, which include the Town's sales and transaction privilege tax, franchise fees, licenses and permit fees and fines and forfeitures, to repay \$9,400,000 in Greater Arizona Development Authority Excise Tax Revenue Bonds issued February, 2005. Proceeds from these bonds were used to reconstruct streets, and to construct water wells and the related distribution system, flood control structures and a wastewater treatment facility expansion. Annual principal and interest payments on the bonds are expected to require 5 percent of net revenues. The total principal and interest to be paid on the bonds is \$13,837,150. Principal and interest paid for the current year and total pledged revenues were \$447,588 and \$20,352,303, respectively.

The Town has pledged future excise tax revenues, which include the Town's sales and transaction privilege tax, franchise fees, licenses and permit fees and fines and forfeitures, to repay \$14,730,000 in Greater Arizona Development Authority Excise Tax Revenue Bonds issued March, 2006. Proceeds from these bonds were used to construct a municipal complex. Annual principal and interest payments on the bonds are expected to require 5 percent of net revenues. The total principal and interest to be paid on the bonds is \$27,507,113. Principal and interest paid for the current year and total pledged revenues were \$700,731 and \$20,352,303, respectively.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

The Town has pledged future excise tax revenues, which include the Town's sales and transaction privilege tax, franchise fees, licenses and permit fees and fines and forfeitures, to repay \$2,200,000 in Greater Arizona Development Authority Excise Tax Revenue Bonds issued May, 2007. Proceeds from these bonds were used for the acquisition and improvement of a facility for administrative purposes. Annual principal and interest payments on the bonds are expected to require 1 percent of net revenues. The total principal and interest to be paid on the bonds is \$3,624,031. Principal and interest paid for the current year and total pledged revenues were \$100,444 and \$20,352,303, respectively.

Community Facilities District Bonds

The Town has pledged revenue derived from an annual assessment on the real property of the Sundance Community Facilities District No. 1 to repay \$11,300,000 in special assessment revenue bonds issued September, 2002. Special assessment districts are created only by petition to the Town Council by property owners within the Districts area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$9,779,120. Principal and interest paid for the current year was \$1,111,998 and total assessments billed were \$1,177,830.

The Town has pledged revenue derived from an annual assessment on the real property of the Sundance Community Facilities District No. 2 to repay \$7,175,000 in special assessment revenue bonds issued April, 2003. Special assessment districts are created only by petition to the Town Council by property owners within the Districts area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$9,417,787. Principal and interest paid for the current year was \$681,728 and total assessments billed were \$717,340.

The Town has pledged revenue derived from an annual assessment and levy of taxes on the real property of the Sundance Community Facilities District No. 3 to repay \$2,050,000 in special assessment bonds issued June, 2004. Special assessment districts are created only by petition to the Town Council by property owners within the Districts area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$2,629,455. Principal and interest paid for the current year was \$257,240 and total assessments billed were \$226,672.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

The Town has pledged revenue derived from an annual assessment on the real property of the West Park Community Facilities District (Assessment District 1) to repay \$3,800,000 in special assessment revenue bonds issued May, 2005. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$6,091,334. Principal and interest paid for the current year was \$314,312 and total assessments billed were \$337,757.

The Town has pledged revenue derived from an annual assessment on the real property of the Festival Ranch Community Facilities District (Assessment District 1) to repay \$1,448,000 in special assessment revenue bonds issued November, 2005. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$1,637,855. Principal and interest paid for the current year was \$430,242 and total assessments billed were \$427,402.

The Town has pledged revenue derived from an annual assessment and levy of taxes on the real property of the Watson Road Community Facilities District to repay \$49,000,000 in special assessment revenue bonds issued December, 2005. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$84,514,402. Principal and interest paid for the current year was \$3,859,475 and total assessments billed were \$3,772,864.

The Town has pledged revenue derived from an annual assessment on the real property of the Festival Ranch Community Facilities District (Assessment District 2 and 3) to repay \$1,868,000 in special assessment lien bonds issued April, 2007. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$3,148,634. Principal and interest paid for the current year was \$158,256 and total assessments billed were \$161,505.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

The Town has pledged revenue derived from an annual assessment on the real property of the Festival Ranch Community Facilities District (Assessment District 4 and 5) to repay \$1,784,000 in special assessment lien bonds issued October, 2007. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$3,280,479. Principal and interest paid for the current year was \$68,366 and total assessments billed were \$211,848.

The Town has pledged future excise tax revenues, which include the Town's sales and transaction privilege tax, franchise fees, licenses and permit fees and fines and forfeitures, as well as Water Utility Revenues to repay \$2,815,000 in Series 2000 Excise Tax Revenue Bonds issued February, 2000. Proceeds from these bonds were used to connect an unused water well to the existing water system of the Town. Annual principal and interest payments on the bonds are expected to require 1 percent of net revenues. The total principal and interest to be paid on the bonds is \$3,104,007. Principal and interest paid for the current year and total pledged revenues were \$246,156 and \$10,890,236, respectively.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

Bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates (%)</u>	<u>Original Issue Amount</u>	<u>Amount Outstanding</u>
Governmental activities:			
Miller Road Improvement Bonds	5.45	\$ <u>4,435,000</u>	\$ <u>3,065,000</u>
<i>Revenue Bonds:</i>			
Greater Arizona Development Authority Excise Tax Revenue Bonds, Series 2005A	3.0-5.0	\$ 9,400,000	\$ 9,400,000
Greater Arizona Development Authority Excise Tax Revenue Bonds, Series 2006A	4.0-5.0	14,730,000	14,730,000
Greater Arizona Development Authority Excise Tax Revenue Bonds, Series 2007A	4.0-5.0	<u>2,200,000</u>	<u>2,200,000</u>
Total Revenue Bonds		\$ <u>26,330,000</u>	\$ <u>26,330,000</u>
<i>Community Facilities District Bonds:</i>			
Sundance Special Assessment Revenue Bonds, Series 2002	5.25-7.75	\$ 11,300,000	\$ 5,908,000
Sundance Special Assessment Revenue Bonds, Series 2003	5.00-7.125	7,175,000	5,091,000
Verrado District No. 1, General Obligation Bonds, Series 2003	6.0-6.5	24,000,000	23,400,000
Sundance General Obligation Bonds, Series 2004	3.0-6.25	5,000,000	4,655,000
Sundance Special Assessment Revenue Bonds, Series 2004	6.50	2,050,000	1,407,000
Verrado Western Overlay General Obligation Bonds, Series 2004	Variable rate	13,000,000	13,000,000
West Park Special Assessment Revenue Bonds, Series 2005	4.55-5.9	3,800,000	3,445,000
Festival Ranch Special Assessment Revenue Bonds, Series 2005	4.0-5.55	1,448,000	946,000

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

Purpose	Interest Rates (%)	Original Issue Amount	Amount Outstanding
<i>Community Facilities District Bonds (Concl'd):</i>			
Sundance General Obligation Bonds, Series 2005	4.0-5.125	\$ 6,000,000	\$ 5,725,000
Watson Road Special Assessment Revenue Bonds, Series 2005	4.5-6.0	49,000,000	46,819,000
Tartesso West General Obligation Bonds, Series 2005	6.0	110,000	102,000
West Park General Obligation Bonds, Series 2005	5.15-5.6	690,000	645,000
Verrado District No. 1 General Obligation Bonds, Series 2006	4.85-5.35	18,600,000	18,185,000
West Park General Obligation Bonds, Series 2006	4.2-5.25	4,420,000	4,265,000
Festival Ranch General Obligation Bonds, Series 2006	4.9-5.3	800,000	755,000
Festival Ranch Special Assessment Lien Bonds, Series 2007	4.2-5.0	1,868,000	1,822,000
West Park General Obligation Bonds, Series 2007	4.7-5.45	2,480,000	2,435,000
Festival Ranch General Obligation Bonds, Series 2007	4.65-5.8	1,535,000	1,485,000
Festival Ranch Special Assessment Lien Bonds, Series 2007	4.3-5.75	1,784,000	1,784,000
Tartesso West General Obligation Bonds, Series 2007	4.35-5.9	<u>8,750,000</u>	<u>8,385,000</u>
Total Community Facilities District Bonds		<u>\$ 163,810,000</u>	<u>\$ 150,259,000</u>
Business-type activities:			
Excise Tax Revenue Bonds, Series 2000	4.4-5.9	<u>\$ 2,815,000</u>	<u>\$ 2,150,000</u>

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

Changes in long-term obligations for the year ended June 30, 2008 are as follows:

	<u>July 1, 2007</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2008</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 310,000	\$ -	\$ (310,000)	\$ -	\$ -
Improvement bonds	3,325,000	-	(260,000)	3,065,000	275,000
Revenue bonds	26,330,000	-	-	26,330,000	55,000
Community facilities district bonds	140,365,000	14,549,000	(4,655,000)	150,259,000	3,484,000
Deferred amount on premium	1,131,926	-	(53,905)	1,078,021	53,905
Deferred amount on discount	(889,175)	-	48,732	(840,443)	(48,732)
Total bonds payable	<u>170,572,751</u>	<u>14,549,000</u>	<u>(5,230,173)</u>	<u>179,891,578</u>	<u>3,819,173</u>
Other liabilities:					
Capital leases	1,985,004	660,486	(474,333)	2,171,157	402,653
Compensated absences	<u>955,932</u>	<u>848,741</u>	<u>(555,584)</u>	<u>1,249,089</u>	<u>572,251</u>
Total other liabilities	<u>2,940,936</u>	<u>1,509,227</u>	<u>(1,029,917)</u>	<u>3,420,246</u>	<u>974,904</u>
Governmental activities long-term liabilities	<u>\$ 173,513,687</u>	<u>\$ 16,058,227</u>	<u>\$ (6,260,090)</u>	<u>\$ 183,311,824</u>	<u>\$ 4,794,077</u>
Business-type Activities:					
Bonds payable:					
Revenue bonds	\$ 2,260,000	\$ -	\$ (110,000)	\$ 2,150,000	\$ 125,000
Total bonds payable	<u>2,260,000</u>	<u>-</u>	<u>(110,000)</u>	<u>2,150,000</u>	<u>125,000</u>
Other liabilities:					
Capital leases	14,762	-	(7,200)	7,562	7,562
Compensated absences	<u>64,147</u>	<u>53,046</u>	<u>(62,919)</u>	<u>54,274</u>	<u>44,908</u>
Total other liabilities	<u>78,909</u>	<u>53,046</u>	<u>(70,119)</u>	<u>61,836</u>	<u>52,470</u>
Business-type activities long-term liabilities	<u>\$ 2,338,909</u>	<u>\$ 53,046</u>	<u>\$ (180,119)</u>	<u>\$ 2,211,836</u>	<u>\$ 177,470</u>

Debt service requirements on long-term debt at June 30, 2008 are as follows:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
Year Ending June 30				
2009	\$ 3,814,000	\$ 9,777,480	\$ 125,000	\$ 121,156
2010	5,019,000	9,579,688	125,000	114,594
2011	5,612,000	9,338,662	130,000	108,031
2012	5,822,000	9,029,498	135,000	101,206
2013	6,033,000	8,793,223	150,000	93,950
2014-2018	36,053,000	38,563,345	850,000	338,665
2019-2023	43,638,000	27,919,301	635,000	76,405
2024-2028	47,187,000	14,939,143	-	-
2029-2033	23,741,000	3,353,124	-	-
2034-2037	<u>2,735,000</u>	<u>455,750</u>	<u>-</u>	<u>-</u>
	<u>\$ 179,654,000</u>	<u>\$ 131,749,214</u>	<u>\$ 2,150,000</u>	<u>\$ 954,007</u>

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

NOTE 4 - OTHER INFORMATION

A. Risk Management

The Town of Buckeye, Arizona, is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Town's insurance protection is provided by the Arizona Municipal Risk Retention Pool, of which the Town is a participating member. The limit for basic coverage is for \$3,000,000 per occurrence on a claims made basis. Excess coverage is for an additional \$3,000,000 per occurrence on a follow form, claims made basis. No significant reduction in insurance coverage occurred during the year and no settlements exceeded insurance coverage during any of the past three fiscal years.

The Arizona Municipal Risk Retention Pool is structured such that member premiums are based on an actuarial review that will provide adequate reserves to allow the pool to meet its expected financial obligations. The pool has the authority to assess its members additional premiums should reserves and annual premiums be insufficient to meet the pool's obligations.

The Town is also insured by Arizona Municipal Workers Compensation Fund for potential worker related accidents.

B. Contingent Liabilities

Accumulated Sick Leave - Sick leave benefits provide for ordinary sick pay and are cumulative but do not vest with employees and, therefore, are not accrued. Unvested accumulated sick leave of Town employees at June 30, 2008, totaled \$1,810,851.

Lawsuits - The Town is a defendant in various lawsuits. In the opinion of the Town's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

2% Inspection Fees - In prior years and for a portion of the current fiscal year, the Town's building permit fees included a refundable deposit to cover the cost of Town inspections for new construction projects. Once all inspections for a project are completed, it is the Town's intention to refund developers for any excess fees collected over the actual costs of the inspections. At June 30, 2008, the amount owed back to developers could not be estimated. The Town now charges a non-refundable inspection fee.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

C. Budgetary Basis of Accounting

The adopted budget of the Town was prepared on a basis consistent with U.S. generally accepted accounting principles, with one exception. The present value of net minimum capital lease payments was not budgeted as part of Impact Fees Fund expenditures and other financing sources. Consequently, the following adjustments are necessary to present actual expenditures and other financing sources on a budgetary basis in order to provide a meaningful comparison.

	<u>Impact Fees Fund</u>	
	<u>Total</u>	<u>Total Other</u>
	<u>Expenditures</u>	<u>Financing</u>
		<u>Sources</u>
Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 2,166,070	\$ 660,486
Present value of net minimum capital lease payments	<u>(660,486)</u>	<u>(660,486)</u>
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	\$ <u>1,505,584</u>	\$ <u>-</u>

D. Subsequent Events

Subsequent to June 30, 2008, the slide in the international, national, state and local economies became more pronounced subsequent to the adoption of the FY 2008-09 budget by the Town Council. In November 2008, projections in major revenue categories were further reduced from the adopted levels, and the Town took proactive steps to reduce operating expenses, particularly in those areas where reduced revenues could not justify the originally budgeted staffing or service levels. The Town will continue to diligently monitor expenditures along with revenues so that it can respond quickly should additional changes be required.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
 FISCAL YEAR ENDED JUNE 30, 2008

E. Retirement Plans

Arizona State Retirement System

Plan Descriptions - The Town contributes to a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health care plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan, all of which are administered by the Arizona State Retirement System. The Arizona State Retirement System (through its Retirement Fund) provides retirement (i.e., pension), death, and survivor benefits; the Health Benefit Supplement Fund provides health insurance premium benefits (i.e., a monthly subsidy); and the Long-Term Disability Fund provides long-term disability benefits. Benefits are established by state statute. The System is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The System issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report may be obtained by writing the System, 3300 North Central Avenue, P.O. Box 33910, Phoenix, AZ 85067-3910 or by calling (602) 240-2000 or (800) 621-3778.

Funding Policy - The Arizona State Legislature establishes and may amend active plan members' and the Town's contribution rates. For the year ended June 30, 2008, active plan members were required by statute to contribute at the actuarially determined rate of 9.6 percent (9.1 percent for retirement and 0.5 percent for long-term disability) of the members' annual covered payroll and the Town was required by statute to contribute at the actuarially determined rate of 9.6 percent (8.05 percent for retirement, 1.05 percent for health insurance premium, and 0.5 percent for long-term disability) of the members' annual covered payroll.

	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
Years ended June 30,			
2008	540,458	70,514	33,581
2007	433,059	56,502	26,908
2006	375,020	48,929	23,302

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

Public Safety Personnel Retirement System (PSPRS)

Plan Description - The Town contributes to the Public Safety Personnel Retirement System (PSPRS), an agent multiple-employer, public employee retirement system that acts as a common investment and administrative agent to provide retirement and death and disability benefits for public safety personnel who are regularly assigned hazardous duty in the employ of the State of Arizona or a political subdivision thereof. All benefit provisions and other requirements are established by State statute. The Public Safety Personnel Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PSPRS. That report may be obtained by writing to Public Safety Personnel, 1020 E. Missouri Ave., Phoenix, AZ 85014 or by calling (602) 255-5575.

Funding Policy - Covered employees are required to contribute 7.65 percent of their annual salary to the PSPRS. The Town is required to contribute the remaining amounts necessary to fund the PSPRS, as determined by the actuarial basis specified by statute. The current rate is 5.97 percent for police and 5.27 percent for fire of annual covered payroll.

Annual Pension Cost - During the year ended June 30, 2007, the Town of Buckeye, Arizona's annual pension cost of \$232,661 for police and \$208,686 for fire was equal to the Town of Buckeye, Arizona's required and actual contributions.

The required contribution was determined as part of the June 30, 2007 actuarial valuation using an entry age actuarial funding method. Significant actuarial assumptions used in determining the entry age actuarial accrued liability include (a) a rate of return on the investment of present and future assets of 9.0% per year compounded annually, (b) projected salary increases of 6.5% (including inflation at 5.5%) per year compounded annually, and (c) additional projected salary increases of 0.0% to 3.0% per year attributable to seniority/merit.

Funded Status and Funding Progress - As of June 30, 2007, the most recent actuarial valuation date, the plan was 80.5% funded for police and 93.9% funded for fire. For police, the actuarial accrued liability for benefits was \$7.7 million, and the actuarial value of assets was \$6.2 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$1.5 million. For fire, the actuarial accrued liability for benefits was \$3.5 million, and the actuarial value of assets was \$3.3 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$0.2 million. The covered payroll (annual payroll of active employees covered by the plan) was \$3.9 million for police and \$4.4 million for fire, and the ratio of the UAAL to the covered payroll was 38.5% for police and 4.8% for fire.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
 FISCAL YEAR ENDED JUNE 30, 2008

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The actuarial value of the Town of Buckeye, Arizona's assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The Town of Buckeye, Arizona's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2007, was 20 years.

The preceding methods comply with the financial reporting standards established by the Governmental Accounting Standards Board.

Three-Year Trend Information

Police

<u>Fiscal Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percent Contributed</u>	<u>Net Pension Obligation</u>
2005	\$ 178,777	100.0 %	\$ -
2006	221,025	100.0	-
2007	232,661	100.0	-

Fire

<u>Fiscal Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percent Contributed</u>	<u>Net Pension Obligation</u>
2005	\$ 143,720	100.0 %	\$ -
2006	159,502	100.0	-
2007	208,686	100.0	-

Additional historical trend information for the Town's PSPRS is disclosed on page 72.

Historical trend information is presented in order for a reader to assess the progress made in accumulating sufficient assets to pay pension benefits as they become payable.

TOWN OF BUCKEYE, ARIZONA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2008

Firefighters' Relief and Pension Fund

The Town of Buckeye Volunteer Firefighters' Relief and Pension Fund is a defined contribution pension plan administered by the Town and a board of trustees for the Town's volunteer firefighters.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. According to state statute, a volunteer firefighter who has served for 25 years or more or has reached 60 years of age and has served 20 years or more shall be eligible to receive a monthly retirement not to exceed \$150 per month, as determined by the board of trustees. Such pension, if paid, may be increased or decreased in amount, or discontinued at the discretion of the board of trustees. Pension and relief benefits may only be paid from the income of the trust fund. However, a firefighter who leaves the service without being eligible for retirement benefits is entitled to all previous deductions from his salary plus interest at a rate determined by the board of trustees. As established by state statute, in lieu of another acceptable pension plan, all volunteer firefighters must participate in the pension plan from the date they enter service.

The State of Arizona is required by statute to contribute a portion of the annual tax received on fire insurance premiums. During the fiscal year ended June 30, 2008, there were no contributions made.

No pension provision changes occurred during the year that affected the required contributions made by the Town or its volunteer firefighters.

The Firefighters' Relief and Pension Fund held no securities of the Town or other related parties during the fiscal years or as of the close of the fiscal year.

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Required Supplementary Information

TOWN OF BUCKEYE, ARIZONA
REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SCHEDULE OF FUNDING PROGRESS

Police

<u>Valuation Date June 30,</u>	<u>Actuarial Value of Assets</u>	<u>Entry Age Actuarial Accrued Liability (AAL)</u>	<u>Percent Funded</u>	<u>Over (Under) funded AAL</u>	<u>Annual Covered Payroll</u>	<u>Over (Under) funded AAL as a Percentage of Covered Payroll</u>
2005	\$ 3,131,024	\$ 3,143,023	99.6 %	\$ (11,999)	\$2,183,012	(0.5)%
2006	4,293,047	4,499,944	95.4	(206,897)	2,848,244	(7.3)
2007	6,193,784	7,696,399	80.5	(1,502,615)	3,899,506	(38.5)

Fire

<u>Valuation Date June 30,</u>	<u>Actuarial Value of Assets</u>	<u>Entry Age Actuarial Accrued Liability (AAL)</u>	<u>Percent Funded</u>	<u>Over (Under) funded AAL</u>	<u>Annual Covered Payroll</u>	<u>Over(Under) funded AAL as a Percentage of Covered Payroll</u>
2005	\$ 2,167,345	\$ 1,578,708	137.3 %	\$ 588,637	\$2,035,353	28.9 %
2006	2,737,455	2,292,637	119.4	444,818	2,417,610	18.4
2007	3,272,650	3,485,365	93.9	(212,715)	4,417,800	(4.8)

**Combining and Individual Fund
Statements and Schedules**

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Highway User Revenue Fund (HURF) - accounts for the Town's share of motor fuel tax revenues and lottery proceeds.

Grant Programs Fund - accounts for the activities of various grants and contributions received by the Town.

Cemetery Improvement Fund - accounts for the perpetual care of the Town's cemetery.

CFD Special Revenue Fund - accounts for the general operations of the Town's community facilities districts.

Sun City Festival Fire Fund - accounts for the operations of the Sun City Festival Fire Station.

Tartesso Fire Fund - accounts for the operations of the Tartesso Fire Station.

DEBT SERVICE FUND

Debt Service Fund - accounts for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

CAPITAL PROJECTS FUNDS

Street Improvement Fund - accounts for the Town's street improvements.

Downtown Revitalization Fund - accounts for the town sales tax earmarked for downtown revitalization.

GADA 2006A Infrastructure Fund - accounts for proceeds from revenue bonds for various projects.

Buckeye Infrastructure Fund - accounts for proceeds from revenue bonds for street projects.

Buckeye Capital Projects Fund - accounts for various capital projects within the Town.

TOWN OF BUCKEYE, ARIZONA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008

	Special Revenue						Debt Service	
	HURF	Grant Programs	Cemetery Improvement	CFD Special Revenue	Sun City Festival Fire	Tartesso Fire	Total Special Revenue Funds	Debt Service
Assets								
Cash and cash equivalents	\$ 1,974,783	\$ 349,630	\$ 128,491	\$ 712,711	\$ 1,500	\$ 4,174	\$ 3,171,289	\$ 1,980,444
Cash with paying agent	-	-	-	-	-	-	-	402,511
Receivables, net								
Accounts receivable	-	571	-	3,726	-	-	4,297	-
Taxes receivable	-	-	-	16,133	-	-	16,133	8,105
Intergovernmental receivable	144,026	322,922	-	-	-	-	466,948	-
Special assessments receivable	-	-	-	-	-	-	-	3,065,000
Restricted assets	-	-	-	-	-	-	-	-
Total assets	<u>\$ 2,118,809</u>	<u>\$ 673,123</u>	<u>\$ 128,491</u>	<u>\$ 732,570</u>	<u>\$ 1,500</u>	<u>\$ 4,174</u>	<u>\$ 3,658,667</u>	<u>\$ 5,456,060</u>
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ 627,727	\$ 201,192	\$ -	\$ 2,948	\$ 1,500	\$ 4,174	\$ 837,541	\$ 2,883
Interest payable	-	-	-	-	-	-	-	716,893
Deferred revenue	-	-	-	-	-	-	-	3,065,000
Matured debt principal payable	-	-	-	-	-	-	-	310,000
Total liabilities	<u>627,727</u>	<u>201,192</u>	<u>-</u>	<u>2,948</u>	<u>1,500</u>	<u>4,174</u>	<u>837,541</u>	<u>4,094,776</u>
Fund balances								
Unreserved	<u>1,491,082</u>	<u>471,931</u>	<u>128,491</u>	<u>729,622</u>	<u>-</u>	<u>-</u>	<u>2,821,126</u>	<u>1,361,284</u>
Total fund balances	<u>1,491,082</u>	<u>471,931</u>	<u>128,491</u>	<u>729,622</u>	<u>-</u>	<u>-</u>	<u>2,821,126</u>	<u>1,361,284</u>
Total liabilities and fund balances	<u>\$ 2,118,809</u>	<u>\$ 673,123</u>	<u>\$ 128,491</u>	<u>\$ 732,570</u>	<u>\$ 1,500</u>	<u>\$ 4,174</u>	<u>\$ 3,658,667</u>	<u>\$ 5,456,060</u>

Capital Projects

Street Improvement	Downtown Revitalization	GADA 2006A Infrastructure	Buckeye Infrastructure Fund	Buckeye Capital Projects	Total Capital Projects Funds	Total Nonmajor Governmental Funds
\$ 3,305,445	\$ 1,466,338	\$ 3,486	\$ -	\$ 12,522,269	\$ 17,297,538	\$ 22,449,271
-	-	-	-	-	-	402,511
-	-	-	-	-	-	4,297
-	-	-	-	-	-	24,238
-	-	-	-	-	-	466,948
-	-	-	-	-	-	3,065,000
-	-	16,884,864	3,829,726	-	20,714,590	20,714,590
<u>\$ 3,305,445</u>	<u>\$ 1,466,338</u>	<u>\$ 16,888,350</u>	<u>\$ 3,829,726</u>	<u>\$ 12,522,269</u>	<u>\$ 38,012,128</u>	<u>\$ 47,126,855</u>
\$ 10,446	\$ 3,181	\$ 3,486	\$ -	\$ 507,527	\$ 524,640	\$ 1,365,064
-	-	-	-	-	-	716,893
-	-	-	-	-	-	3,065,000
-	-	-	-	-	-	310,000
<u>10,446</u>	<u>3,181</u>	<u>3,486</u>	<u>-</u>	<u>507,527</u>	<u>524,640</u>	<u>5,456,957</u>
3,294,999	1,463,157	16,884,864	3,829,726	12,014,742	37,487,488	41,669,898
<u>3,294,999</u>	<u>1,463,157</u>	<u>16,884,864</u>	<u>3,829,726</u>	<u>12,014,742</u>	<u>37,487,488</u>	<u>41,669,898</u>
<u>\$ 3,305,445</u>	<u>\$ 1,466,338</u>	<u>\$ 16,888,350</u>	<u>\$ 3,829,726</u>	<u>\$ 12,522,269</u>	<u>\$ 38,012,128</u>	<u>\$ 47,126,855</u>

TOWN OF BUCKEYE, ARIZONA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Special Revenue						Debt Service
	HURF	Grant Programs	Cemetery Improvement	CFD Special Revenue	Sun City Festival Fire	Tartesso Fire Fund	Debt Service Fund
Revenues						Total Special Revenue Funds	
Taxes							
Property taxes	\$ -	\$ -	\$ -	\$ 647,108	\$ -	\$ -	\$ 344,376
Intergovernmental	1,889,187	1,146,019	-	-	-	-	-
Charges for services	-	-	-	-	1,745,850	1,503,077	-
Developer agreements	-	-	-	4,849	-	-	985
Contributions and donations	-	-	-	-	-	-	-
Special assessments	-	-	-	193,859	-	-	454,240
Investment earnings	-	-	63,973	-	-	-	5,185
Other	-	-	24,825	10,125	-	-	-
Total Revenues	<u>1,889,187</u>	<u>1,146,019</u>	<u>88,798</u>	<u>855,941</u>	<u>1,745,850</u>	<u>1,503,077</u>	<u>804,786</u>
Expenditures							
Current							
General government	-	6,768	130,571	780,719	-	-	50,405
Public safety	-	434,083	-	-	3,256,046	3,157,122	-
Highways and streets	2,620,062	65,194	-	-	-	-	-
Culture and recreation	-	5,711	-	-	-	-	-
Health and welfare	-	509,820	-	-	-	-	-
Debt Service							
Principal retirement	-	-	-	-	-	-	570,000
Interest on long-term debt	-	-	-	-	-	-	1,463,838
Capital outlay	34,196	405,342	-	-	-	-	-
Total Expenditures	<u>2,654,258</u>	<u>1,426,918</u>	<u>130,571</u>	<u>780,719</u>	<u>3,256,046</u>	<u>3,157,122</u>	<u>2,084,243</u>
Excess (deficiency) of revenues over expenditures	<u>(765,071)</u>	<u>(280,899)</u>	<u>(41,773)</u>	<u>75,222</u>	<u>(1,510,196)</u>	<u>(1,654,045)</u>	<u>(1,279,457)</u>
Other financing sources (uses)							
Transfers in	18,800	309,497	-	-	1,510,196	1,654,045	1,268,754
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>18,800</u>	<u>309,497</u>	<u>-</u>	<u>-</u>	<u>1,510,196</u>	<u>1,654,045</u>	<u>1,268,754</u>
Net change in fund balances	<u>(746,271)</u>	<u>28,598</u>	<u>(41,773)</u>	<u>75,222</u>	<u>-</u>	<u>-</u>	<u>(10,703)</u>
Fund balances, beginning of year	<u>2,237,353</u>	<u>443,333</u>	<u>170,264</u>	<u>654,400</u>	<u>-</u>	<u>-</u>	<u>1,371,987</u>
Fund balances, end of year	<u>\$ 1,491,082</u>	<u>\$ 471,931</u>	<u>\$ 128,491</u>	<u>\$ 729,622</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,361,284</u>

Capital Projects						Total Nonmajor Governmental Funds
Street Improvement	Downtown Revitalization	GADA 2006A Infrastructure	Buckeye Infrastructure Fund	Buckeye Capital Projects	Total Capital Projects Funds	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 991,484
-	-	-	-	-	-	3,035,206
-	-	-	-	-	-	3,248,927
1,880,544	-	-	-	-	1,880,544	1,886,378
-	-	-	-	5,000	5,000	5,000
-	-	-	-	-	-	648,099
63,974	-	694,524	417,465	-	1,175,963	1,245,121
162,522	-	-	-	3,680	166,202	201,152
<u>2,107,040</u>	<u>-</u>	<u>694,524</u>	<u>417,465</u>	<u>8,680</u>	<u>3,227,709</u>	<u>11,261,367</u>
-	-	-	-	-	-	968,463
-	-	-	-	-	-	6,847,251
-	-	-	-	-	-	2,685,256
-	-	-	-	-	-	5,711
-	-	-	-	-	-	509,820
-	-	-	-	-	-	570,000
-	-	-	-	-	-	1,463,838
<u>250,158</u>	<u>3,705,349</u>	<u>1,536,275</u>	<u>132,500</u>	<u>2,343,778</u>	<u>7,968,060</u>	<u>8,407,598</u>
<u>250,158</u>	<u>3,705,349</u>	<u>1,536,275</u>	<u>132,500</u>	<u>2,343,778</u>	<u>7,968,060</u>	<u>21,457,937</u>
<u>1,856,882</u>	<u>(3,705,349)</u>	<u>(841,751)</u>	<u>284,965</u>	<u>(2,335,098)</u>	<u>(4,740,351)</u>	<u>(10,196,570)</u>
-	1,797,318	1,814,206	-	9,274,152	12,885,676	17,646,968
-	(1,439,206)	-	-	(1,816,740)	(3,255,946)	(3,255,946)
-	358,112	1,814,206	-	7,457,412	9,629,730	14,391,022
1,856,882	(3,347,237)	972,455	284,965	5,122,314	4,889,379	4,194,452
<u>1,438,117</u>	<u>4,810,394</u>	<u>15,912,409</u>	<u>3,544,761</u>	<u>6,892,428</u>	<u>32,598,109</u>	<u>37,475,446</u>
<u>\$ 3,294,999</u>	<u>\$ 1,463,157</u>	<u>\$ 16,884,864</u>	<u>\$ 3,829,726</u>	<u>\$ 12,014,742</u>	<u>\$ 37,487,488</u>	<u>\$ 41,669,898</u>

TOWN OF BUCKEYE, ARIZONA
IMPACT FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Impact fees	\$ 9,546,177	\$ 7,336,733	\$ (2,209,444)
Investment earnings	<u>323,331</u>	<u>529,350</u>	<u>206,019</u>
Total Revenues	<u>9,869,508</u>	<u>7,866,083</u>	<u>(2,003,425)</u>
Expenditures			
Current			
General government	1,248,000	-	1,248,000
Public safety	5,056,165	940,215	4,115,950
Culture and recreation	<u>5,482,152</u>	<u>565,369</u>	<u>4,916,783</u>
Total Expenditures	<u>11,786,317</u>	<u>1,505,584</u>	<u>10,280,733</u>
Excess (deficiency) of revenues over expenditures	(1,916,809)	6,360,499	8,277,308
Fund balances, beginning of year	<u>15,838,035</u>	<u>17,196,277</u>	<u>1,358,242</u>
Fund balances, end of year	<u>\$ 13,921,226</u>	<u>\$ 23,556,776</u>	<u>\$ 9,635,550</u>

TOWN OF BUCKEYE, ARIZONA
HURF FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 2,158,099	\$ 1,889,187	\$ (268,912)
Total Revenues	<u>2,158,099</u>	<u>1,889,187</u>	<u>(268,912)</u>
Expenditures			
Current			
Highways and streets	3,339,306	2,620,062	719,244
Capital outlay	<u>18,800</u>	<u>34,196</u>	<u>(15,396)</u>
Total Expenditures	<u>3,358,106</u>	<u>2,654,258</u>	<u>703,848</u>
Excess (deficiency) of revenues over expenditures	<u>(1,200,007)</u>	<u>(765,071)</u>	<u>434,936</u>
Other financing sources (uses)			
Transfers in	<u>18,800</u>	<u>18,800</u>	<u>-</u>
Total other financing sources (uses)	<u>18,800</u>	<u>18,800</u>	<u>-</u>
Fund balances, beginning of year	<u>1,284,366</u>	<u>2,237,353</u>	<u>952,987</u>
Fund balances, end of year	<u>\$ 103,159</u>	<u>\$ 1,491,082</u>	<u>\$ 1,387,923</u>

TOWN OF BUCKEYE, ARIZONA
GRANT PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 3,480,762	\$ 1,146,019	\$ (2,334,743)
Total Revenues	<u>3,480,762</u>	<u>1,146,019</u>	<u>(2,334,743)</u>
Expenditures			
Current			
General government	1,345,341	6,768	1,338,573
Public safety	1,123,411	434,083	689,328
Highways and streets	185,000	65,194	119,806
Culture and recreation	-	5,711	(5,711)
Health and welfare	627,069	509,820	117,249
Capital outlay	<u>322,000</u>	<u>405,342</u>	<u>(83,342)</u>
Total Expenditures	<u>3,602,821</u>	<u>1,426,918</u>	<u>2,175,903</u>
Excess (deficiency) of revenues over expenditures	<u>(122,059)</u>	<u>(280,899)</u>	<u>(158,840)</u>
Other financing sources (uses)			
Transfers in	<u>834,354</u>	<u>309,497</u>	<u>(524,857)</u>
Total other financing sources (uses)	<u>834,354</u>	<u>309,497</u>	<u>(524,857)</u>
Net change in fund balances	712,295	28,598	(683,697)
Fund balances, beginning of year	<u>222,433</u>	<u>443,333</u>	<u>220,900</u>
Fund balances, end of year	<u>\$ 934,728</u>	<u>\$ 471,931</u>	<u>\$ (462,797)</u>

TOWN OF BUCKEYE, ARIZONA
CEMETERY IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Investment earnings	\$ 20,000	\$ 63,973	\$ 43,973
Other	<u>12,000</u>	<u>24,825</u>	<u>12,825</u>
Total Revenues	<u>32,000</u>	<u>88,798</u>	<u>56,798</u>
Expenditures			
Current			
General government	<u>60,000</u>	<u>130,571</u>	<u>(70,571)</u>
Total Expenditures	<u>60,000</u>	<u>130,571</u>	<u>(70,571)</u>
Excess (deficiency) of revenues over expenditures	(28,000)	(41,773)	(13,773)
Fund balances, beginning of year	<u>141,108</u>	<u>170,264</u>	<u>29,156</u>
Fund balances, end of year	<u>\$ 113,108</u>	<u>\$ 128,491</u>	<u>\$ 15,383</u>

TOWN OF BUCKEYE, ARIZONA
SUN CITY FESTIVAL FIRE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for services	\$ 1,568,735	\$ 1,745,850	\$ 177,115
Total Revenues	<u>1,568,735</u>	<u>1,745,850</u>	<u>177,115</u>
Expenditures			
Current			
Public safety	1,568,735	3,256,046	(1,687,311)
Total Expenditures	<u>1,568,735</u>	<u>3,256,046</u>	<u>(1,687,311)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(1,510,196)</u>	<u>(1,510,196)</u>
Other financing sources (uses)			
Transfers in	-	1,510,196	1,510,196
Total other financing sources (uses)	<u>-</u>	<u>1,510,196</u>	<u>1,510,196</u>
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF BUCKEYE, ARIZONA
TARTESSO FIRE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for services	\$ 1,203,813	\$ 1,503,077	\$ 299,264
Total Revenues	<u>1,203,813</u>	<u>1,503,077</u>	<u>299,264</u>
Expenditures			
Current			
Public safety	1,203,813	3,157,122	(1,953,309)
Total Expenditures	<u>1,203,813</u>	<u>3,157,122</u>	<u>(1,953,309)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(1,654,045)</u>	<u>(1,654,045)</u>
Other financing sources (uses)			
Transfers in	-	1,654,045	1,654,045
Total other financing sources (uses)	<u>-</u>	<u>1,654,045</u>	<u>1,654,045</u>
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF BUCKEYE, ARIZONA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Taxes			
Property taxes	\$ 329,297	\$ 344,376	\$ 15,079
Developer agreements	-	985	985
Special assessments	439,888	454,240	14,352
Investment earnings	-	5,185	5,185
Total Revenues	<u>769,185</u>	<u>804,786</u>	<u>35,601</u>
Expenditures			
Current			
General government	7,000	50,405	(43,405)
Debt Service			
Principal retirement	555,000	570,000	(15,000)
Interest on long-term debt	1,456,629	1,463,838	(7,209)
Total Expenditures	<u>2,018,629</u>	<u>2,084,243</u>	<u>(65,614)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,249,444)</u>	<u>(1,279,457)</u>	<u>(30,013)</u>
Other financing sources (uses)			
Transfers in	1,248,761	1,268,754	19,993
Total other financing sources (uses)	<u>1,248,761</u>	<u>1,268,754</u>	<u>19,993</u>
Net change in fund balances	(683)	(10,703)	(10,020)
Fund balances, beginning of year	1,022,522	1,371,987	349,465
Fund balances, end of year	<u>\$ 1,021,839</u>	<u>\$ 1,361,284</u>	<u>\$ 339,445</u>

TOWN OF BUCKEYE, ARIZONA
STREET IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Developer agreements	\$ -	\$ 1,880,544	\$ 1,880,544
Investment earnings	23,000	63,974	40,974
Other	-	162,522	162,522
Total Revenues	<u>23,000</u>	<u>2,107,040</u>	<u>2,084,040</u>
Expenditures			
Capital outlay	-	250,158	(250,158)
Total Expenditures	<u>-</u>	<u>250,158</u>	<u>(250,158)</u>
Excess (deficiency) of revenues over expenditures	23,000	1,856,882	1,833,882
Fund balances, beginning of year	<u>946,063</u>	<u>1,438,117</u>	<u>492,054</u>
Fund balances, end of year	<u>\$ 969,063</u>	<u>\$ 3,294,999</u>	<u>\$ 2,325,936</u>

TOWN OF BUCKEYE, ARIZONA
DOWNTOWN REVITALIZATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Expenditures			
Capital outlay	\$ <u>7,112,299</u>	\$ <u>3,705,349</u>	\$ <u>3,406,950</u>
Total Expenditures	<u>7,112,299</u>	<u>3,705,349</u>	<u>3,406,950</u>
Excess (deficiency) of revenues over expenditures	<u>(7,112,299)</u>	<u>(3,705,349)</u>	<u>3,406,950</u>
Other financing sources (uses)			
Transfers in	3,515,630	1,797,318	(1,718,312)
Transfers out	<u>-</u>	<u>(1,439,206)</u>	<u>(1,439,206)</u>
Total other financing sources (uses)	<u>3,515,630</u>	<u>358,112</u>	<u>(3,157,518)</u>
Net change in fund balances	(3,596,669)	(3,347,237)	249,432
Fund balances, beginning of year	<u>4,696,669</u>	<u>4,810,394</u>	<u>113,725</u>
Fund balances, end of year	<u>\$ 1,100,000</u>	<u>\$ 1,463,157</u>	<u>\$ 363,157</u>

TOWN OF BUCKEYE, ARIZONA
GADA 2006A INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Investment earnings	\$ <u>300,000</u>	\$ <u>694,524</u>	\$ <u>394,524</u>
Total Revenues	<u>300,000</u>	<u>694,524</u>	<u>394,524</u>
Expenditures			
Debt Service			
Issuance costs	-	-	-
Capital outlay	<u>17,174,206</u>	<u>1,536,275</u>	<u>15,637,931</u>
Total Expenditures	<u>17,174,206</u>	<u>1,536,275</u>	<u>15,637,931</u>
Excess (deficiency) of revenues over expenditures	<u>(16,874,206)</u>	<u>(841,751)</u>	<u>16,032,455</u>
Other financing sources (uses)			
Transfers in	<u>1,814,206</u>	<u>1,814,206</u>	<u>-</u>
Total other financing sources (uses)	<u>1,814,206</u>	<u>1,814,206</u>	<u>-</u>
Net change in fund balances	<u>(15,060,000)</u>	<u>972,455</u>	<u>16,032,455</u>
Fund balances, beginning of year	<u>15,060,000</u>	<u>15,912,409</u>	<u>852,409</u>
Fund balances, end of year	\$ <u>-</u>	\$ <u>16,884,864</u>	\$ <u>16,884,864</u>

TOWN OF BUCKEYE, ARIZONA
 BUCKEYE CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 400,927	\$ -	\$ (400,927)
Contributions and donations	-	5,000	5,000
Other	-	3,680	3,680
Total Revenues	<u>400,927</u>	<u>8,680</u>	<u>(392,247)</u>
Expenditures			
Capital outlay	<u>16,288,098</u>	<u>2,343,778</u>	<u>13,944,320</u>
Total Expenditures	<u>16,288,098</u>	<u>2,343,778</u>	<u>13,944,320</u>
Excess (deficiency) of revenues over expenditures	<u>(15,887,171)</u>	<u>(2,335,098)</u>	<u>13,552,073</u>
Other financing sources (uses)			
Transfers in	20,622,898	9,274,152	(11,348,746)
Transfers out	-	(1,816,740)	(1,816,740)
Total other financing sources (uses)	<u>20,622,898</u>	<u>7,457,412</u>	<u>(13,165,486)</u>
Net change in fund balances	4,735,727	5,122,314	386,587
Fund balances, beginning of year	<u>6,540,262</u>	<u>6,892,428</u>	<u>352,166</u>
Fund balances, end of year	<u>\$ 11,275,989</u>	<u>\$ 12,014,742</u>	<u>\$ 738,753</u>

STATISTICAL SECTION

This part of the Town of Buckeye, Arizona's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help readers assess the Town's most significant local revenue source, the sales tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Town's current level of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Town implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

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TOWN OF BUCKEYE, ARIZONA
NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Governmental activities						
Invested in capital assets, net of related debt	\$ (38,203,688)	\$ (16,304,504)	\$ (10,645,987)	\$ 140,024,884	\$ 82,151,023	\$ 180,433,293
Restricted	24,983,401	11,305,501	9,137,217	29,423,493	46,200,204	56,270,243
Unrestricted	32,918,866	30,034,064	41,982,201	67,966,221	101,430,372	94,958,367
Total governmental activities net assets	\$ 19,698,579	\$ 25,035,061	\$ 40,473,431	\$ 237,414,598	\$ 229,781,599	\$ 331,661,903
Business-type activities						
Invested in capital assets, net of related debt	\$ 16,138,836	\$ 16,525,946	\$ 23,451,396	\$ 144,955,002	\$ 170,570,832	\$ 225,559,690
Unrestricted	954,322	1,539,451	5,338,684	13,250,212	25,778,641	24,374,591
Total business-type activities net assets	\$ 17,093,158	\$ 18,065,397	\$ 28,790,080	\$ 158,205,214	\$ 196,349,473	\$ 249,934,281
Primary government						
Invested in capital assets, net of related debt	\$ (22,064,852)	\$ 221,442	\$ 12,805,409	\$ 284,979,886	\$ 252,721,855	\$ 405,992,983
Restricted	24,983,401	11,305,501	9,137,217	29,423,493	46,200,204	56,270,243
Unrestricted	33,873,188	31,573,515	47,320,885	81,216,433	127,209,013	119,332,958
Total primary government net assets	\$ 36,791,737	\$ 43,100,458	\$ 69,263,511	\$ 395,619,812	\$ 426,131,072	\$ 581,596,184

Note: 2002-03 was the Town's first year to prepare government-wide financial statements.

TOWN OF BUCKEYE, ARIZONA
CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Expenses						
Governmental activities:						
General government	\$ 13,168,857	\$ 5,807,491	\$ 7,470,451	\$ 9,444,119	\$ 14,155,434	\$ 22,042,786
Public safety	4,302,109	6,307,496	7,596,499	12,245,524	14,996,196	24,159,379
Highways and streets	190,359	547,656	2,783,879	3,788,433	7,748,126	9,859,551
Culture and recreation	655,082	719,905	1,125,571	1,905,488	2,512,744	3,549,820
Community development	500,983	690,513	1,295,799	2,122,344	3,229,116	4,076,753
Economic development	201,178	296,372	314,985	281,784	232,539	449,205
Health and welfare	475,126	528,061	501,760	633,260	607,995	662,201
Interest on long-term debt	980,188	3,582,729	3,821,751	6,757,025	9,341,351	10,304,341
Total governmental activities	<u>20,473,882</u>	<u>18,480,223</u>	<u>24,910,695</u>	<u>37,177,977</u>	<u>52,823,501</u>	<u>75,104,036</u>
Business-type activities						
Sewer	763,657	997,805	1,545,062	2,250,209	7,537,024	10,851,201
Water	1,032,111	1,639,192	1,871,838	3,902,628	8,721,436	14,036,310
Total business-type activities	<u>1,795,768</u>	<u>2,636,997</u>	<u>3,416,900</u>	<u>6,152,837</u>	<u>16,258,460</u>	<u>24,887,511</u>
Total primary government expenses	<u>\$ 22,269,650</u>	<u>\$ 21,117,220</u>	<u>\$ 28,327,595</u>	<u>\$ 43,330,814</u>	<u>\$ 69,081,961</u>	<u>\$ 99,991,547</u>
Program Revenues						
Governmental activities:						
Fines, fees and charges for services:						
General government	\$ 4,851,346	\$ 8,945,002	\$ 16,269,531	\$ 23,871,269	\$ 21,818,408	\$ 21,104,003
Public safety	512,435	1,446,479	2,751,021	5,211,719	5,413,089	6,344,387
Highways and streets	1,996,068	-	92,675	864,216	1,608,599	964,046
Culture and recreation	48,082	64,862	557,020	3,787,735	3,809,368	3,560,898
Interest on long-term debt	19,363,803	2,895,305	7,727,974	52,706,355	5,283,890	6,280,135
Operating grants and contributions	1,147,417	1,446,335	1,374,000	1,322,614	2,607,554	2,669,677
Capital grants and contributions	216,663	890,283	697,975	622,372	403,403	93,914,439
Total governmental activities program revenues	<u>28,135,814</u>	<u>15,688,266</u>	<u>29,470,196</u>	<u>88,386,280</u>	<u>40,944,311</u>	<u>134,837,585</u>
Business-type activities						
Charges for services:						
Sewer	5,254,403	2,081,298	6,313,309	7,132,345	8,444,492	5,763,938
Water	5,742,481	1,527,106	3,585,229	8,055,803	11,416,140	9,779,031
Capital grants and contributions	-	-	1,651,779	101,319	-	61,802,434
Total business-type activities program revenues	<u>10,996,884</u>	<u>3,608,404</u>	<u>11,550,317</u>	<u>15,289,467</u>	<u>19,860,632</u>	<u>77,345,403</u>
Total primary government program revenues	<u>\$ 39,132,698</u>	<u>\$ 19,296,670</u>	<u>\$ 41,020,513</u>	<u>\$ 103,675,747</u>	<u>\$ 60,804,943</u>	<u>\$ 212,182,988</u>

Fiscal Year

	2003	2004	2005	2006	2007	2008
Net (expense)/revenue						
Governmental activities	\$ 7,661,932	\$ (2,791,957)	\$ 4,559,501	\$ 51,208,303	\$ (11,879,190)	\$ 59,733,549
Business-type activities	9,201,116	971,407	8,133,417	9,136,630	3,602,172	52,457,892
Total primary government net expense	<u>\$ 16,863,048</u>	<u>\$ (1,820,550)</u>	<u>\$ 12,692,918</u>	<u>\$ 60,344,933</u>	<u>\$ (8,277,018)</u>	<u>\$ 112,191,441</u>
General Revenues and Other Changes in Net Assets						
Governmental activities:						
Taxes:						
Sales taxes	\$ 2,776,931	\$ 4,648,570	\$ 8,443,984	\$ 17,786,048	\$ 20,352,303	\$ 19,562,100
Property taxes	767,963	933,693	1,981,418	3,487,934	5,455,617	10,041,664
Franchise taxes	194,001	213,753	316,422	508,746	696,318	1,191,999
State revenue sharing	904,346	766,169	781,108	889,631	2,884,487	3,575,387
State sales tax revenue sharing	664,531	714,854	787,165	1,031,392	2,414,758	2,334,912
Auto lieu tax revenue sharing	413,119	344,681	364,234	475,343	1,052,175	1,019,164
Grants and contributions not restricted	-	-	54,008	54,008	54,008	54,008
Investment earnings	2,240	231,127	533,612	3,175,954	5,045,893	4,618,115
Other	714,413	275,592	193,285	463,506	610,067	564,859
Transfers	<u>(371,603)</u>	<u>-</u>	<u>(2,576,367)</u>	<u>(21,225,022)</u>	<u>(34,319,435)</u>	<u>(815,453)</u>
Total governmental activities:	<u>6,065,941</u>	<u>8,128,439</u>	<u>10,878,869</u>	<u>6,647,540</u>	<u>4,246,191</u>	<u>42,146,755</u>
Business-type activities:						
Investment earnings	-	832	14,899	107,280	222,652	311,463
Other	(41,600)	-	-	-	-	-
Transfers	371,603	-	2,576,367	21,225,022	34,319,435	815,453
Total business-type activities	<u>330,003</u>	<u>832</u>	<u>2,591,266</u>	<u>21,332,302</u>	<u>34,542,087</u>	<u>1,126,916</u>
Total primary government	<u>\$ 6,395,944</u>	<u>\$ 8,129,271</u>	<u>\$ 13,470,135</u>	<u>\$ 27,979,842</u>	<u>\$ 38,788,278</u>	<u>\$ 43,273,671</u>
Change in Net Assets						
Governmental activities	\$ 13,727,873	\$ 5,336,482	\$ 15,438,370	\$ 57,855,843	\$ (7,632,999)	\$ 101,880,304
Business-type activities	9,531,119	972,239	10,724,683	30,468,932	38,144,259	53,584,808
Total primary government	<u>\$ 23,258,992</u>	<u>\$ 6,308,721</u>	<u>\$ 26,163,053</u>	<u>\$ 88,324,775</u>	<u>\$ 30,511,260</u>	<u>\$ 155,465,112</u>

Note: 2002-03 was the Town's first year to prepare government-wide financial statements.

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TOWN OF BUCKEYE, ARIZONA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 7,767	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	1,265,870	1,759,467	1,162,571	933,495	4,564,538	7,543,808	11,876,979	19,867,167	21,363,427	15,242,542
Total general fund	<u>\$ 1,265,870</u>	<u>\$ 1,759,467</u>	<u>\$ 1,162,571</u>	<u>\$ 3,433,495</u>	<u>\$ 4,572,305</u>	<u>\$ 7,543,808</u>	<u>\$ 11,876,979</u>	<u>\$ 19,867,167</u>	<u>\$ 21,363,427</u>	<u>\$ 15,242,542</u>
All other governmental funds										
Reserved	\$ (337,270)	\$ (433,059)	\$ (86,285)	\$ (84,873)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	340,883	438,472	322,314	146,283	168,244	155,373	9,707,907	1,077,397	3,505,350	2,821,126
Debt service funds	-	-	-	-	4,023,556	3,565,729	4,635,218	10,146,769	11,975,097	12,975,822
Capital projects funds	186,897	214,996	437,699	1,733,418	26,138,546	7,584,399	13,783,438	68,306,633	72,366,472	73,981,763
Total all other governmental funds	<u>\$ 190,510</u>	<u>\$ 220,409</u>	<u>\$ 673,728</u>	<u>\$ 1,794,828</u>	<u>\$ 30,330,346</u>	<u>\$ 11,305,501</u>	<u>\$ 28,126,563</u>	<u>\$ 79,530,799</u>	<u>\$ 87,846,919</u>	<u>\$ 89,778,711</u>

TOWN OF BUCKEYE, ARIZONA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Taxes	\$ 1,607,567	\$ 2,264,462	\$ 2,338,543	\$ 2,858,528	\$ 3,738,895	\$ 5,795,016	\$ 10,741,824	\$ 21,782,728	\$ 26,504,238	\$ 30,795,763
Intergovernmental	2,020,887	1,714,003	1,984,886	3,242,332	3,318,546	4,154,186	4,036,532	4,315,130	9,391,554	10,992,746
Fines and forfeitures	80,871	130,057	143,600	180,260	174,857	208,125	235,212	314,506	357,286	462,404
Licenses and permits	118,795	273,420	425,824	389,226	1,336,670	3,476,794	6,670,430	8,659,830	6,845,571	9,434,421
Charges for services	392,001	225,812	256,708	680,656	3,650,005	5,665,620	6,394,179	8,466,697	10,343,646	11,207,137
Developer agreements	-	-	-	-	-	-	4,016,758	6,871,489	4,584,821	2,291,816
Rents and royalties	22,560	12,079	8,679	31,766	137,297	-	-	-	-	-
Contributions and donations	-	-	-	-	-	-	-	80,230	24,831	34,712
Impact fees	-	-	174,256	46,337	181,607	557,453	2,226,478	8,993,920	9,982,768	7,336,733
Special assessments	-	-	-	293,066	2,988,000	3,484,305	3,384,974	4,954,355	7,914,890	7,544,135
Investment earnings	18,030	72,816	95,066	111,428	2,240	231,127	533,612	3,175,954	5,045,893	4,618,115
Other	46,522	282,187	577,872	3,469,766	804,241	832,079	342,433	892,003	1,145,439	1,805,682
Total revenues	<u>4,307,233</u>	<u>4,974,836</u>	<u>6,005,434</u>	<u>11,303,365</u>	<u>16,332,358</u>	<u>24,404,705</u>	<u>38,582,432</u>	<u>68,506,842</u>	<u>82,140,937</u>	<u>86,523,664</u>
Expenditures										
General government	1,163,372	1,428,050	2,148,480	2,430,117	13,713,973	6,586,700	7,615,325	9,746,757	13,650,559	21,227,928
Public safety	1,266,842	1,576,371	2,634,101	3,744,882	4,485,658	6,261,515	10,030,568	13,900,619	15,334,063	24,043,055
Highways and streets	183,731	208,187	681,128	1,043,029	504,754	1,109,492	1,045,994	1,454,491	1,689,528	2,685,256
Culture and recreation	332,386	449,982	670,739	1,060,135	578,232	888,295	1,156,623	1,859,002	2,356,175	3,883,022
Community development	-	-	-	-	500,983	742,719	1,252,828	2,177,500	3,151,495	3,962,814
Economic development	-	-	-	-	195,557	238,342	253,255	234,138	207,989	449,205
Health and welfare	-	-	-	-	468,653	523,705	506,889	639,125	611,845	662,201
Capital outlay	261,187	418,760	17,984	3,360,220	5,350,764	19,830,926	24,167,195	38,328,897	43,658,762	32,578,542
Debt service	-	-	-	-	-	-	-	-	-	-
Principal retirement	265,000	265,000	300,000	330,000	569,000	929,000	1,862,000	3,100,000	5,146,000	5,225,000
Interest on long-term debt	141,488	124,770	108,842	556,972	1,519,533	3,582,729	5,165,347	6,626,100	9,122,959	10,044,330
Insurance costs	-	-	-	-	-	-	-	3,081,233	1,123,733	883,280
Total expenditures	<u>3,614,006</u>	<u>4,471,120</u>	<u>6,561,274</u>	<u>12,525,355</u>	<u>27,887,107</u>	<u>40,693,423</u>	<u>53,056,024</u>	<u>81,147,862</u>	<u>96,053,108</u>	<u>105,644,633</u>
Excess of revenues over (under) expenditures	<u>693,227</u>	<u>503,716</u>	<u>(555,840)</u>	<u>(1,221,990)</u>	<u>(11,554,749)</u>	<u>(16,288,718)</u>	<u>(14,473,592)</u>	<u>(12,641,020)</u>	<u>(13,912,171)</u>	<u>(19,120,969)</u>

Fiscal Year

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Other financing sources										
(uses)										
Transfers in	184,224	178,740	571,486	445,217	3,819,506	163,725	727,226	4,033,962	19,434,585	19,503,685
Transfers out	(184,224)	(178,740)	(159,223)	(284,377)	(4,191,109)	(163,725)	(727,226)	(5,357,588)	(23,598,034)	(19,781,295)
Premium on long-term debt	-	-	-	-	(1,106,250)	-	710,772	529,476	-	-
issuance	-	-	-	4,453,174	42,475,000	-	33,250,000	71,978,000	27,888,000	14,549,000
Proceeds from capital	-	-	-	-	79,752	234,376	1,622,053	1,310,998	-	660,486
leases	-	-	-	-	-	-	-	-	-	-
Total other financing	-	-	412,263	4,614,014	41,076,899	234,376	35,582,825	72,494,848	23,724,551	14,931,876
sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balance	\$ 693,227	\$ 503,716	\$ (143,577)	\$ 3,392,024	\$ 29,522,150	\$ (16,054,342)	\$ 21,109,233	\$ 59,853,828	\$ 9,812,380	\$ (4,189,093)

Debt service as a										
percentage of	12.1 %	9.6 %	6.2 %	9.7 %	9.3 %	21.6 %	24.3 %	21.2 %	18.8 %	22.3 %
noncapital expenditures										

TOWN OF BUCKEYE, ARIZONA
TAXABLE SALES BY CATEGORY
LAST FIVE FISCAL YEARS
(UNAUDITED)

	Fiscal Year				
	2004	2005	2006	2007	2008
Sales Category					
Retail and Trade	\$ 569,738	\$ 684,106	\$ 1,940,005	\$ 2,338,839	\$ 4,303,592
Rental and Leasing	266,865	283,032	441,676	507,960	767,249
Restaurants and Bars	257,537	298,997	235,575	279,549	502,857
Hotels	5,698	11,244	37,688	36,867	53,237
Services	37,507	39,665	39,878	40,060	36,026
Mining	27,932	28,345	27,090	38,320	21,842
Construction	3,939,466	6,713,750	13,456,460	17,262,236	13,796,182
Transportation and Warehousing	1,621	2,522	1,239	3,340	7,974
Communication	216,054	299,428	349,361	395,189	541,075
All Other	64,333	52,130	27,480	290,184	381,942
Total	\$ 5,386,751	\$ 8,413,219	\$ 16,556,452	\$ 21,192,544	\$ 20,411,976
City sales tax rate	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %

Source: Town Records.

Note: Information prior to 2004 was not available.
During the fiscal year ended June 30, 2007, schedule was changed to fiscal year rather than calendar year.

TOWN OF BUCKEYE, ARIZONA
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u>	<u>Town's Rate</u>	<u>Maricopa Road</u>	<u>County's Jail</u>	<u>Arizona State</u>	<u>Total</u>
1999	2.00 %	0.50 %	0.20 %	5.00 %	7.70 %
2000	2.00	0.50	0.20	5.00	7.70
2001	2.00	0.50	0.20	5.60	8.30
2002	2.00	0.50	0.20	5.60	8.30
2003	2.00	0.50	0.20	5.60	8.30
2004	2.00	0.50	0.20	5.60	8.30
2005	2.00	0.50	0.20	5.60	8.30
2006	2.00	0.50	0.20	5.60	8.30
2007	2.00	0.50	0.20	5.60	8.30
2008	2.00	0.50	0.20	5.60	8.30

Source: Arizona Department of Revenue.

TOWN OF BUCKEYE, ARIZONA
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (UNAUDITED)

<u>Tax Year (Fiscal Year)</u>	<u>Assessment Type</u>	<u>Assessed Value</u>	<u>Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Taxable Assessed Value as a Percentage of Actual Value</u>
1999	Primary	\$ 25,623,044	\$ 1.0943	N/A	N/A
(2000)	Secondary	26,969,835	0.8082	N/A	N/A
2000	Primary	31,220,433	0.8981	N/A	N/A
(2001)	Secondary	33,175,256	0.6570	N/A	N/A
2001	Primary	39,937,874	0.5900	N/A	N/A
(2002)	Secondary	42,870,450	1.0800	N/A	N/A
2002	Primary	41,806,823	0.9776	N/A	N/A
(2003)	Secondary	46,996,103	0.6924	N/A	N/A
2003	Primary	51,727,246	0.9776	N/A	N/A
(2004)	Secondary	56,727,094	0.5725	N/A	N/A
2004	Primary	69,986,677	1.1461	N/A	N/A
(2005)	Secondary	81,842,158	0.4039	N/A	N/A
2005	Primary	103,168,348	1.2680	N/A	N/A
(2006)	Secondary	115,318,474	0.2829	N/A	N/A
2006	Primary	165,083,549	1.1657	N/A	N/A
(2007)	Secondary	193,594,069	0.1714	N/A	N/A
2007	Primary	270,854,878	1.0481	N/A	N/A
(2008)	Secondary	369,230,204	0.0940	N/A	N/A
2008	Primary	401,259,863	0.8984	N/A	N/A
(2009)	Secondary	587,576,411	-	N/A	N/A

Source: County Assessor's Records.

N/A: Not available at time of printing.

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TOWN OF BUCKEYE, ARIZONA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(rate per \$1,000 of assessed value)
(UNAUDITED)

Tax Year (Fiscal Year)	Assessment Types	Primary Tax Authority Number Secondary Tax Authority Number	Direct Rates		
			Basic Rate General Fund	General Obligation Debt Service	Total Direct Rate
			04501	04501	
1999 (2000)	Primary Secondary		\$ 1.0943 -	- \$ 0.8082	\$ 1.9025
2000 (2001)	Primary Secondary		0.8981 -	- 0.6570	1.5551
2001 (2002)	Primary Secondary		0.5900 -	- 1.0800	1.6700
2002 (2003)	Primary Secondary		0.9776 -	- 0.6924	1.6700
2003 (2004)	Primary Secondary		0.9776 -	- 0.5725	1.5501
2004 (2005)	Primary Secondary		1.1461 -	- 0.4039	1.5500
2005 (2006)	Primary Secondary		1.2680 -	- 0.2829	1.5509
2006 (2007)	Primary Secondary		1.1657 1.1657	- -	1.3371
2007 (2008)	Primary Secondary		1.0481 -	- 0.0940	1.1421
2008 (2009)	Primary Secondary		0.8984 -	- -	0.8984

TOWN OF BUCKEYE, ARIZONA
PRINCIPAL PROPERTY TAXPAYERS
JUNE 30, 2008
(UNAUDITED)

Taxpayer	2008		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Walmart Stores East Lp	\$ 16,559,710	1	4.48 %
Fidelity National Title Company Tr B176	12,357,322	2	3.35
Arizona Public Service Company	5,289,883	3	1.43
Pulte Home Corporation	2,076,913	4	0.56
Blue Horizons Estates Llc	1,997,716	5	0.54
Southern California Edison Co (T&D)	1,751,619	6	0.47
Qwest Corporation	1,624,105	7	0.44
Sbc Long Distance	1,592,976	8	0.43
Smiths Food & Drug Centers Inc	1,494,562	9	0.40
Jackson Properties	1,250,898	10	0.34
Stewart Title & Trust Tr 2396	1,050,597	-	0.28
Bt Airport Road Llc	953,919	-	0.26
Mth Golf Llc	947,872	-	0.26
Westwind Properties LLC	942,852	-	0.26
Dmb Verrado District Core 1 LI/Dmb/Pb V	892,752	-	0.24
Fidelity National Title Company Tr	886,635	-	0.24
Schultz Homes Corporation	876,314	-	0.24
El Paso Electric Co (T&D)	866,992	-	0.23
Stardust - Tartesso W12 Inc	815,181	-	0.22
Caterpillar Vdo 2 Llc	798,323	-	0.22
Buckeye Land Llc	705,874	-	0.19
Dmb Verrado Golf I Llc	523,858	-	0.14
Dmb Verrado Sports Club Llc	<u>223,612</u>	-	<u>0.06</u>
	<u>\$ 56,480,485</u>		<u>15.28 %</u>

Source: Maricopa County Assessor's Office.

Note: Information for nine years ago was not available at time of printing.

TOWN OF BUCKEYE, ARIZONA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u>	<u>(1) Total Tax Levy</u>	<u>(2) Current Tax Collections</u>	<u>Percent of Current Taxes Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Ratio of Total Tax Collections to Total Tax Levy</u>
1999	\$ 498,379	\$ 502,717	100.87 %	\$ -	\$ 502,717	100.87 %
2000	498,379	508,130	101.96	-	508,130	101.96
2001	498,379	453,300	90.95	-	453,300	90.95
2002	698,634	687,834	98.45	-	687,834	98.45
2003	734,093	767,963	104.61	-	767,963	104.61
2004	830,456	827,292	99.62	-	827,292	99.62
2005	1,132,687	1,132,686	100.00	74,005	1,206,691	106.53
2006	1,634,369	1,431,378	87.58	22,107	1,453,485	88.93
2007	2,256,198	2,138,095	94.77	27,760	2,165,855	96.00
2008	3,185,881	3,048,188	95.68	77,461	3,125,649	98.11

Source: (1) Maricopa County Assessor's Office.

(2) Town's Records.

TOWN OF BUCKEYE, ARIZONA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Governmental Activities				Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Improvement Bonds	Sales Tax (revenue) Bonds	Special Assessment Bonds	Capital Leases	Revenue Bonds	Capital Leases			
1999	\$ 1,985,000	\$ -	\$ 495,000	\$ -	\$ -	\$ -	-	\$ 2,480,000	1.05 %	\$ 340.66
2000	1,775,000	-	440,000	-	169,731	2,815,000	-	5,199,731	2.28	795.43
2001	1,550,000	-	380,000	-	1,406,697	2,815,000	-	6,151,697	1.63	577.62
2002	1,665,000	4,435,000	245,000	-	1,235,903	2,740,000	81,264	10,402,167	2.42	870.11
2003	1,405,000	4,235,000	170,000	42,441,000	1,020,639	2,660,000	80,270	52,011,909	10.78	3,981.01
2004	1,145,000	4,025,000	90,000	42,062,000	942,687	2,560,000	41,102	50,865,789	9.04	3,498.33
2005	880,000	3,805,000	9,400,000	64,625,000	2,043,667	2,460,000	9,766	83,223,433	9.96	4,004.98
2006	605,000	3,570,000	24,130,000	119,283,000	2,741,687	2,360,000	26,621	152,716,308	11.38	4,810.72
2007	310,000	3,325,000	26,330,000	140,365,000	1,985,004	2,260,000	14,762	174,589,766	11.81	4,545.66
2008	-	3,065,000	26,330,000	150,259,000	2,171,157	2,150,000	7,562	183,982,719	N/A	4,546.49

N/A: Not available at time of printing.

TOWN OF BUCKEYE, ARIZONA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Taxable Assessed Value of Property</u>	<u>Percentage of Taxable Assessed Value of Property</u>	<u>Population</u>	<u>Net General Obligation Bonded Debt Per Capita</u>
1999	1,985,000	N/A	-	7,280	272.66
2000	1,775,000	\$ 26,969,835	6.58 %	6,537	271.53
2001	1,550,000	33,175,256	4.67	10,650	145.54
2002	1,665,000	42,870,450	3.88	11,955	139.27
2003	1,405,000	46,996,103	2.99	13,065	107.54
2004	1,145,000	56,727,094	2.02	14,540	78.75
2005	880,000	81,842,158	1.08	20,780	42.35
2006	605,000	115,318,474	0.52	31,745	19.06
2007	310,000	193,594,069	0.16	38,408	8.07
2008	-	369,230,204	-	40,467	-

N/A: Not available at time of printing.

Notes: Details regarding the Town's outstanding debt can be found in the notes to the basic financial statements.

TOWN OF BUCKEYE, ARIZONA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2008
(UNAUDITED)

Governmental Unit	Outstanding Debt	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Maricopa County Community College District	\$ 525,690,000	0.3474 %	\$ 1,826,247
Town of Buckeye General Obligation	-	100.0000	-
Wickenburg School District No. 9	18,870,000	9.7256	1,835,221
Liberty School District No. 25	8,835,000	85.5549	7,558,775
Buckeye School District No. 33	11,060,000	100.0000	11,060,000
Arlington School District No. 47	1,695,000	68.6686	1,163,933
Litchfield School District No. 79	28,565,000	25.9572	7,414,674
Saddle Mountain School District No. 90	15,390,000	97.6021	15,020,963
Buckeye Union High School District No. 201	33,480,000	100.0000	<u>33,480,000</u>
Total direct and overlapping debt			<u>\$ 79,359,813</u>

Source: Arizona Department of Revenue Indebtedness Report and Maricopa County Assessor's Office.

- (1) Portion applicable to the Town of Buckeye is computed on the ratio of secondary assessed valuation for 2007-08.

TOWN OF BUCKEYE, ARIZONA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt limit	N/A	\$ 7,012,157	\$ 8,625,567	\$ 11,146,317	\$ 12,218,987	\$ 14,749,044	\$ 21,278,961	\$ 29,982,803	\$ 50,334,458	\$ 95,999,853
Total applicable to limit	-	<u>2,040,000</u>	<u>1,925,000</u>	<u>1,665,000</u>	<u>1,405,000</u>	<u>1,145,000</u>	<u>880,000</u>	<u>605,000</u>	<u>310,000</u>	-
Legal debt margin	\$ -	<u>\$ 4,972,157</u>	<u>\$ 6,700,567</u>	<u>\$ 9,481,317</u>	<u>\$ 10,813,987</u>	<u>\$ 13,604,044</u>	<u>\$ 20,398,961</u>	<u>\$ 29,377,803</u>	<u>\$ 50,024,458</u>	<u>\$ 95,999,853</u>
Total net debt applicable to the limit as a percentage of the debt limit	-	29.09	22.32	14.94	11.50	7.76	4.14	2.02	0.62	-

N/A: Not available at time of printing.

TOWN OF BUCKEYE, ARIZONA
CALCULATION OF LEGAL DEBT MARGIN
JUNE 30, 2008
(UNAUDITED)

Net secondary assessed valuation		\$ <u>369,230,204</u>
<u>Water, Sewer, Light, Parks, Open Space and Recreational Facility Bonds</u>		
Debt limit - 20% of secondary net assessed valuation		\$ 73,846,041
Debt applicable to limit		
General obligation bonds outstanding	\$ -	
Less amount set aside for repayment of debt	<u>-</u>	
Net debt applicable to limit		<u>-</u>
20% legal debt margin		<u>73,846,041</u>
<u>All other general obligation bonds</u>		
Debt limit - 6% of secondary net assessed valuation		22,153,812
Debt applicable to limit		
General obligation bonds outstanding	\$ -	
Less amount set aside for repayment of debt	<u>-</u>	
Net debt applicable to limit		<u>-</u>
All other general obligation bonds debt margin		<u>22,153,812</u>
Total legal debt margin		\$ <u>95,999,853</u>

Source: Maricopa County Assessor's Office.

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TOWN OF BUCKEYE, ARIZONA
 PLEDGED-REVENUE COVERAGE
 LAST NINE FISCAL YEARS
 (UNAUDITED)

Fiscal Year	2005 Greater Arizona Development Authority (Infrastructure)					2006 Greater Arizona Development Authority (New Municipal Building)					
	Sales Tax Pledges (a)	Net Available	Debt Service Principal	Debt Service Interest	Coverage	Sales Tax Pledges (a)	Add: Transfers	Net Available	Debt Service Principal	Debt Service Interest	Coverage
2000	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
2001	-	-	-	-	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-	-	-	-	-
2006	642,506	642,506	-	642,506	1.00	290,905	-	290,905	-	290,905	1.00
2007	447,588	447,588	-	447,588	1.00	635,309	-	635,309	-	635,309	1.00
2008	447,588	447,588	-	447,588	1.00	700,731	-	700,731	-	700,731	1.00

(a): All amounts received by Town of Buckeye's Transaction Privilege Tax, The Arizona State as Buckeye State Transaction Privilege Tax, and Buckeye Urban Revenue Sharing are pledged as security for the Buckeye Agreement. However, only amounts needed are transferred to debt service funds. The Town of Buckeye's total Transaction Privilege Taxes for fiscal year ending June 30, 2008 totaled \$20,352,303.

Note: Information prior to 2000 was not available.

2007 Greater Arizona Development Authority (New Building Acquisition)						2000 Water and Sewer Revenue Bond (16" Pipe line)						
Sales Tax Pledges (a)	Add: Transfers	Net Available	Debt Service Principal	Debt Service Interest	Coverage	Utilities Service Charges	Less: Operating Expenses	Add: Developer Agreements	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ 1,052,904	\$ 918,369	\$ -	\$ 134,535	\$ -	\$ -	\$ -
-	-	-	-	-	-	1,102,190	1,030,016	-	72,174	-	123,860	0.58
-	-	-	-	-	-	1,228,642	1,014,532	-	214,110	75,000	120,560	1.09
-	-	-	-	-	-	1,421,016	1,624,798	-	(203,782)	80,000	117,040	(1.03)
-	-	-	-	-	-	3,355,528	2,480,938	-	874,590	100,000	146,494	3.55
-	-	-	-	-	-	3,711,364	3,267,622	1,651,776	2,095,518	100,000	141,694	8.67
-	-	-	-	-	-	6,276,494	6,010,430	101,319	367,383	100,000	136,894	1.55
22,879	-	22,879	-	22,879	1.00	9,844,342	16,121,103	-	(6,276,761)	100,000	131,894	(27.07)
100,444	-	100,444	-	100,444	1.00	10,890,236	14,647,789	-	(3,757,553)	125,000	121,156	(15.26)

TOWN OF BUCKEYE, ARIZONA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income</u>	<u>Per Capita Personal Income (2)</u>	<u>Arizona Unemployment Rate (3)</u>
1999	7,280	\$ 235,493,440	\$ 32,348	7.00 %
2000	6,537	228,200,133	34,909	4.20
2001	10,650	377,862,000	35,480	5.30
2002	11,955	429,997,440	35,968	7.10
2003	13,065	482,412,060	36,924	6.70
2004	14,540	562,770,700	38,705	5.60
2005	20,780	835,459,900	40,205	5.20
2006	31,745	1,342,051,620	42,276	4.60
2007	38,408	1,478,746,408	38,501	4.00
2008	40,467	N/A	N/A	4.80

Source: (1) Arizona Department of Economic Security thru the Arizona Workforce Informer.

Source: (2) Arizona Department of Economic Security based on Maricopa County's Average Wage Per Job.

Source: (3) Arizona Workforce Information, AZ Unemployment Statistic Program Special Report.

N/A: Not available at time of printing.

TOWN OF BUCKEYE, ARIZONA
PRINCIPAL EMPLOYERS
JUNE 30, 2008
(UNAUDITED)

Employer	2008		Percentage of Principal Town Employers
	Employees	Rank	
Palo Verde Nuclear Plant	2,500	1	37.63 %
Lewis Prison Complex	1,100	2	16.55
Wal-Mart	745	3	11.21
Buckeye Elementary School District No. 33	600	4	9.03
Liberty Elementary School District	480	5	7.22
Town of Buckeye	455	6	6.85
Buckeye Union High School District No. 201	250	7	3.76
CMH Mfg. West, Inc./Clayton Homes	215	8	3.24
Schuff Steel/Quincy Joint, Inc.	200	9	3.01
Hickman's Egg Ranch	<u>100</u>	10	<u>1.50</u>
	<u>6,645</u>		<u>100.00 %</u>

Source: Arizona Industrial Directory and Arizona Services Directory.

Note: Information for 1999 was not available.

TOWN OF BUCKEYE, ARIZONA
 FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
 LAST FIVE FISCAL YEARS
 (UNAUDITED)

Function	Authorized Full-Time Equivalent Employees				
	2004	2005	2006	2007	2008
General Government					
Administration	3.00	3.00	8.00	11.00	14.50
Finance	7.00	9.00	14.00	19.00	27.00
Human resources	1.00	2.00	4.00	6.00	6.00
Information and technology	1.00	2.00	4.00	7.00	9.00
Municipal services	4.00	5.00	5.50	6.00	7.00
Intergovernmental Affairs	-	-	-	2.00	2.50
Public Safety					
Police	45.00	63.00	77.00	96.00	105.00
Fire	41.70	53.70	96.70	118.70	158.70
Highways and Streets					
Public works	19.00	26.00	39.00	64.00	68.00
Culture and Recreation					
Parks recreation	2.50	8.50	11.50	17.50	29.50
Library	4.00	4.00	7.00	9.00	9.00
Community Development					
Community development	9.00	17.00	26.00	36.00	46.00
Economic Development					
Economic development	3.00	3.00	3.50	3.00	6.00
Airport	1.00	1.00	1.50	2.00	2.00
Health and Welfare					
Social services	10.00	10.00	9.80	11.80	10.30
Utilities					
Water and Sewer	<u>11.00</u>	<u>11.00</u>	<u>14.00</u>	<u>20.00</u>	<u>23.00</u>
Total	<u>162.20</u>	<u>218.20</u>	<u>321.50</u>	<u>429.00</u>	<u>523.50</u>

Source: Town's 2008 adopted budget document.

Information prior to fiscal year 2004 was not available at time of printing.

TOWN OF BUCKEYE, ARIZONA
OPERATING INDICATORS BY FUNCTION
LAST FIVE FISCAL YEARS
(UNAUDITED)

Function	Fiscal Year				
	2004	2005	2006	2007	2008
General government					
Finance, invoices paid	6,187	6,094	7,697	10,068	11,216
Finance, payroll checks issued	17,589	20,378	21,410	9,570	11,914
Finance, business licenses processed	N/A	N/A	553	811	1,095
Finance, utility bills issued	22,467	42,388	121,585	155,905	186,691
Human resources, recruitment processed	N/A	N/A	110	294	178
Human resources, average days to fill vacancies	N/A	N/A	58.7	55.0	67.4
Information and technology, service requests received	1,988	3,652	5,478	5,593	5,367
Information and technology, supported network devices	117	395	584	754	-
Town's Clerk, public records request	N/A	113	459	478	521
Fleet management service requests	N/A	438	964	1,510	1,867
Public Safety					
Police, 911 calls received	N/A	8,690	10,428	11,601	14,174
Police, average respond time emergency calls	N/A	5:59	5:27	5:10	6:50
Police, total arrests	1,145	981	1,163	1,447	1,741
Fire, emergency responses	N/A	N/A	2,435	3,024	3,527
Fire, average respond time emergency calls	N/A	N/A	5:25	5:56	4:30
Fire, fires extinguished	N/A	N/A	278	356	308
Highways and Streets					
Public Works, streets resurfacing (in miles)	N/A	3	40	48	-
Public Works, right of way maintenance (in miles)	N/A	116	135	324	326
Culture and recreation					
Parks recreation, acres maintained	37	37	62	106	106
Parks recreation, participants in programs	5,500	10,000	18,000	68,551	122,841
Library, visitors	48,578	49,582	52,500	103,013	155,630
Community Development					
Single family permits issued	2,384	3,872	4,583	3,072	2,395
Construction permits issued	3,646	5,321	6,674	5,890	4,511
Inspections conducted	N/A	80,000	102,788	104,105	49,850
Certificates of occupancy issued	820	2,070	2,892	3,289	2,827
Economic Development					
Airport, Av Gas serviced (in gallons)	23,516	38,459	41,020	21,889	66,513
Utilities					
Water, service connections	2,340	2,618	3,078	10,234	10,098
Sewer, service connections	3,660	4,095	4,814	16,269	13,904
Water service supplied (in millions of gallons)	648	1,157	5,894	1,100	1,590
Sewer, sewage treated (in million gallons/day)	0.503	0.654	0.982	1.800	2.030

Source: 2008 Budget Document and Departmental Statistical Reports.

N/A: Not available at time of printing.

Note: Information prior to fiscal year 2004 was not available at time of printing.

TOWN OF BUCKEYE, ARIZONA
CAPITAL ASSETS STATISTICS BY FUNCTION
LAST FIVE FISCAL YEARS
(UNAUDITED)

Function	Fiscal Year				
	2004	2005	2006	2007	2008
Police					
Stations	1	1	1	1	1
Patrol units	20	27	38	43	48
Fire					
Stations	2	3	4	6	6
Units (Engines, Pumpers, and Brush Trucks)	3	4	7	9	10
Other public works					
Streets (Local Roads in miles)	28.77	59.87	80.77	84.77	229.11
Highways (Collectors and Arterials in miles)	10.16	13.14	13.22	13.22	25.76
Streetlights	1,689	2,853	3,616	3,660	3,660
Traffic signals	3	4	4	4	5
Parks and recreation					
Acreage	131.49	131.49	131.49	131.49	131.49
Parks / Playgrounds	4	4	5	5	5
Community centers	1	1	1	1	2
Water					
Water Mains and Lines (miles)	63.00	65.50	100.00	108.04	151.63
Wastewater					
Sanitary sewers (miles)	60.50	63.00	97.50	97.50	106.70

Source: Town Capital Assets Inventory and Departmental statistics.

Note: Information prior to FY 2004 not available at time of printing.